

&4 FRP[†] 6HQDWL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPILWTH^L +ROGV^L +3DJH[¶] T[¶]!RI^L

68//, 9\$1 L

/HW- PH^L WDN^L GH^L DERXW- WKH^L UXCH^L RI^L ODZ[¶] L DQG^L, PL JODGL^L \RX^L HPSKOM^L]HGL^L LW- DV^L DL SULRUW[¶] L, L EHOLHYH^L LWL UHDOD^L RQH^L RI^L WKH^L SULQFLSCH^L UHDVRQV^L ZK[¶] L DJDLQ[¶] L AKHJHM^L VXF^L DL ODFN^L RI^L WUXW^L EHWAHQ^L WKH^L \$PHULFDQ^L SHRSCH^L DQG^L WKH^L (3\$[¶] L %W[¶] L LWL QRM^L MXW^L DL 5HSXEOLFQ^L LWXH[¶]

\$V^L DL PDWHU^L RI^L IDPA[¶] L WKHJHM^L D^L QXPHEH^L RI^L H[DPSCHV^L ZKHUH^L WKLVL^L LV^L YLHZHG^L DV^L DL ELSDUWLDQ^L LWXH^L WKD^L ZH^L QHG^L WR^L DGGUHW[¶] L <RX^L PD^L KDH^L VH^L ZLWK^L UHJDUG^L WR^L WKH^L &CHDQ^L 3RZHUL^L 3DQ[¶] L /DXUHQF^L 7ULH[¶] L QRM^L NQRZQ^L DV^L DL WMRQJ^L WADXQFK^L 5HSXEOLFQ[¶] L +DUYDUG^L /DZ^L SURIHWRU[¶] L WADHG[¶] L | 7KH^L (3\$^L LV^L DMHPSALQ^L WR^L H[HUFLVH^L ODZPDNLQ^L WKD^L EHORQJV^L WR^L WKH^L &RQJUHW^L DQG^L VKGLFLDO^L SRZHU^L WKD^L EHORQJV^L WR^L WKH^L IHGHUDO^L FRXUW[¶]

(3\$^L LV^L DMHPSALQ^L DQ^L XQFRQWVWALRQDOL^L WULIHW[¶] L XVXUSLQ^L WKH^L SUHRJDWLYHV^L RI^L WKH^L WADHG[¶] L &RQJUHW^L DQG^L WKH^L IHGHUDO^L FRXUW^L DOO^L DV^L RQFH^L ZLWK^L LWL &CHDQ^L 3RZHUL^L 3DQ[¶] L | L 7KHQ^L KH^L WADHG[¶] L | %XUQLQ^L WKH^L FRQWVWALRQ^L VKRXOG^L QRM^L EHFRPH^L SDUW^L RI^L RXU^L 1DALRQDOL^L (QHJU^L 3ROLF[¶] |

<RX^L EH^L LQYROYHG^L LQ^L VRPH^L RI^L WKHM^L FDMH[¶] L WKH^L &CHDQ^L 3RZHUL^L 3DQ[¶] L AKH^L :DWHUV^L RI^L WKH^L 8[¶] 6[¶] ,Q^L ERWK^L RI^L WKHM^L FDMH[¶] L FRXUW^L KDH^L WADHG^L WKH^L (3\$^V^L UXCH[¶] L :K^L GR^L \RX^L WKLQ^L WKD^L WKH^L FRXUW^L KDH^L GRQH^L WKD^L DQG^L GR^L \RX^L AKLQ^L WKH^L UXCH^L RI^L ODZ[¶] L WKD^L KDV^L EH^L LJGRUHG^L EV^L WKH^L (3\$[¶] L LV^L VRPHWKLQ^L AKD^L \RX^L QHG^L WR^L ++ L WKD^L \RX^L LI^L ++ L LI^L FRQILUPHG[¶] L WKD^L \RX^L ZLOO^L ZRUN^L RQ^L WR^L UHJDLQ^L WKH^L WUXW^L EHWAHQ^L WKH^L (3\$^L DQG^L WKH^L \$PHULFDQ^L SHRSCH[¶]

358,77 L

<RX^L NQRZ[¶] L DV^L, L LQGLFDW[¶] L 6HQDW[¶] L HDUOLHU[¶] L, L WKLQ^L DW- WLPHM[¶] L SHUDSV^L AKRVL^L LQ^L ODZ^L DQG^L WKH^L FRXUW[¶] L WKH^L ORRN^L DW- UXCH^L RI^L ODZ^L DV^L VRPHWKLQ^L WKD^L DFDGHLPLF^L DQG^L WHFKQLFDQ[¶] L %W[¶] LWL UHD[¶] L DQG^L LW- DI IHW^L SHRSCH^L LQ^L YH^L L UHDOL^L ZD[¶] !

:KHQ^L \RX^L KDH^L DJHOFHUV^L RI^L DQ^L LASH^L WKD^L DW- LQFRQWVWADQW^L ZLWK^L WKH^L WADWARU[¶] L DXWKRULM^L JLYHQ^L WR^L WKH^L EV^L &RQJUHW[¶] L ,W- FUHDWHV^L WKH^L NLQG^L RI^L XQFHJWDLQ^L WKD^L \RXUH^L WDNLQ^L DERXW[¶] L 3HSCH^L GRQW^L NQRZ^L ZKD^L H[SHFWHG^L RI^L WKH^L DQG^L SDUDOVLV^L KDSHV[¶]

\$Q[¶] L VR[¶] L UXCH^L RI^L ODZ^L LV^L LPSRUWDQW^L WR^L HFRGRPLF^L GHYHORSPHQW[¶] L ,W^L LPSRUWDQW^L AR^L VH^L PHWDJHV^L RI^L FHJWDLQ[¶] L ,W^L LPSRUWDQW^L VR^L WKD^L SHRSCH^L FDQ^L SODQ^L DQG^L DOORFDW^H L UHMRXUFH[¶] L 7KHUH^L DUH^L PDQ^L L ODZ^L WKD^L SHRSCH^L ORRN^L DW- DQG^L VD[¶] L ZHOO[¶] L , L GRQW^L UHDOD^L OLNH^L WKD^L

KWS ↑ ↑ ZZZ[¶] FT[¶] FRP[¶] GRF[¶] FRQJUHWLRQDOWDQFULSAW "¶" L SULQWWUXH ¶ + !!

&4◀ FRP↑6HQDWHL (QYLURQPHQW DQG L 3XEOLF L :RUNV L &RPPLWHL +ROGV L +HE 3DJH ¶ HLRRI

%W L VR L CRQJ L DV L WKH L NQRZL LWW L H[SHFHGL RI L WKH P L WKH L FDQL SODQL DQGL
DOORFDWL UHVRXUFHV L WR L FRPSO\◀ L \$QL , L WKLQN L WKDW L ZKDW L LPSRUWDQW DERXW
UXCH L RI L ODZ\◀

68//,9\$1 L

\$QL DV L ++ L DQGL DV L RQH L RI L WKH L CHDGL O\WJDARUV L RQ L WKH L :2786 L UXCH L DQGL WKH L
&CHDQL 3RZHU L 3CDQ L DQG L WKH L IDW L WKDW L WKH L 6XSUHPH L &RXUW DQG L WKH L 6LWK L
&LUFXLW KDG L SXW L VD\VL RQ L WKRML L UXCH P L ZKDW L GR L \RX L WKLQN L WKDW L LQGLFDWL V L WKH L
&RXUW L YLHZ L LV L RI L WKRML WZR L UXCH L LWXHG L E\ L WKH L (3\$ P L DM L WKLV L PRPHQW"

358,77 L

:HOO P L LWW L XQSUHFHQWHL IRU L WKH L 6XSUHPH L &RXUW WR L KOYH L GRH L ZKDW L WKH L
GLG L LQ L WKH L &CHDQL 3RZHU L 3CDQ\◀

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1HYHU L KDSHQHG L LQ L WKH L KLWWRUV\◀

358,77 L

1HYHU L KDSHQHG L LQ L WKH L KLWWRUV L RI L MXULVSUXCHQFH L EHIRUH L WKH L 8\ 6\ L
6XSUHPH L &RXUW\◀ L ZKDW L VD\VL DL CRW\◀

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7KDQN L \RX P L OU\◀ L &KDLUPDQ\◀

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7KDQN L \RX L YHU L PXFK\◀ L 6HQDWRL ORUDQ"

025\$1 L

OU\◀ L &KDLUPDQ P L ,GL \LHOG L WR L VRPHERG L DKHDGL RI L PH L LI L , L FDQL KOYH L ++ L LI L
AKHNG L \LHOG L EDFN L WR L PH L IRU L WKH L QHJW L TXHMLRQ\◀

%\$55\$662 L

KWS ↑ ↑ ZZZ\◀ FT\◀ FRP↑ GRF↑ FRQJUHWLRQDOWDQWULSAW "¶ ± SULQWWUXH ¶ ± !!

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L + 3DJH[¶] TURI^L

7KOW^L ZRXOG^L ++ L WKOW^L ZRXOG^L EH^L ILGH[¶] L , L KOYH^L VRPH^L WLPH^L WKOW^L , L KOYH^L JRWHL^L
ARL^L \HW^L LQ^L WKLVL^L VHFQGL^L URXQGL^L DQG^L ZH^L ZLOO^L JR^L VKRUD^L WR^L D^L WKLUG^L URXQG[¶] L , L
ZDQHGL^L WR^L WDON^L D^L OWMCH^L DERXW^L WKH^L OHUFXU^L 5XCH^L WKOW^L WKH^L 6XSUHPH^L &RXUW^L
RYHJAXLQHG[¶] L 7KH^L RYHJAXLQHG^L WKH^L (3\$^L OHUFXU^L 5XCH[¶] L ILOGLQJ^L WKOW^L WKH^L
(3\$^L GLG^L GRW^L DSSURSULDWHO^L FRQMLGHU^L WKH^L FRWWL^L RI^L WKH^L UXCH[¶]
1RALQJ^L WKOW^L E\^L ++ L BHZTHQ^L WKH^L WLPH^L WKOW^L WKH^L UXCH^L ZDV^L LWXHG^L DQG^L WKH^L
6XSUHPH^L &RXUW^L GHFLVLRQ^L WKUH^L \HDUV^L SDW^L WKH^L (3\$^L \$GPLQWLWDWRU[¶] L *LQD^L
OF&DUWK[¶] L ZDV^L RQ^L D^L WOHYLVLRQ^L VKRZ^L D^L FRXSCH^L RI^L GD\VL^L EHIRUH^L WKH^L
6XSUHPH^L &RXUW^L PDGH^L \W^L UXOLQJ[¶] L \$QG^L WKH^L VDLG[¶] L | :HOO[¶] L ZKOW^L LI^L WKH^L
6XSUHPH^L &RXUW^L VD\VL^L \RX^L ZHU^L ZURQJ["] |

\$QG[¶] L HAHQWLDOO[¶] L WKH^L VDLG[¶] L | :HOO[¶] L WKH^L PDMLUW^L RI^L WKH^L SRZHU^L SODQW^L KOYH^L
DOUHDG^L GHFLGHG^L DQG^L LQYHWHG^L LQ^L D^L SDW^L L , L + + L BHFDXVH^L \W^L BHQ^L WKUH^L
\HDUV^L + + L | < < < L WR^L DFKLHYHG^L FRPSOLDQFH^L ZW^L WKH^L OHUFXU^L \$LU^L 7R[LF^L 6ADQGDUGV[¶]
,Q^L RAKHUL^L ZRUGV[¶] L WKH^L KDG^L DOUHDG^L JRWHL^L KHUL^L UH\OW^L HYHQ^L WKRXJK^L ZKOW^L WKH^L
KDG^L GRQH^L ZDV^L IRXQG^L E\^L WKH^L FRXUW^L WR^L EH^L LOOHJD[¶] L 6R[¶] L ,GL DVN^L \RXU^L WKRXJKW^L
RQ^L KHUL^L VADWHPHQW^L DQG^L GR^L \RX^L EHOLHYHG^L WKOW^L KHUL^L VADWHPHQW^L VKRZV^L UHMSHRW^L
IRU^L WKH^L UXCH^L RI^L ODZ["]

358,77 L

:HOO[¶] L 6HQDWRU[¶] L WKLVL^L LV^L VSHFXODWLRQ^L WR^L D^L FHWDLQ^L GHJUH^H L DQG^L RQH^L RI^L P\^L
IDYRULW^L SKLORVRSKHUV^L LV^L <RJL^L %HJD^L DQG^L KH^L VD\VL^L WKOW^L SUHGLFWLRQ^L DUH^L
SUHWW^L WRXJK[¶] L SDWLFXODU^L DERXW^L WKH^L IXAXUH[¶]

\$QG^L VR^L , L GRQW^L ZDQW^L WR^L EH^L WRR^L VSHFXODLYH^L KHUH[¶] L EXW^L ZKHQ^L \RX^L ORRN^L DW^L WKH^L
UHMSRQH^L RI^L WKH^L 6XSUHPH^L &RXUW^L DQG^L WKH^L &HDQ^L 3RZHU^L 3DQ[¶] L , L WKLQN^L
ODWHD^L WKH^L UHDVRQ^L WKH^L DFWHG^L LQ^L DQ^L XQSUH^L GHQW^L ZD^L LV^L BHFDXVH^L RI^L
ZKOW^L \RX^L MXWW^L DGGUHWHG[¶] L OU[¶] L &KDLUPDQ[¶] L WKOW^L LQ^L UHMSRQH^L WR^L WKH^L
OLFKLJDQ^L Y[¶] L (3\$^L FDM[¶] L WKH^L ZDV^L VRPH^L FRPPHQW^L PDGH^L WKOW^L WKH^L KDG^L
DFKLHYHG^L WKH^L RXWFRPH[¶] L GHMSLWH^L WKH^L IDFW^L WKOW^L \W^L DFWHG^L LQFRQVLWHQW^L ZW^L WKH^L
IUDPHZRUN^L XQGHU^L WKH^L ODZ[¶]

6R[¶] L , L WKLQN^L UXCH^L RI^L ODZ^L LV^L VRPHWKLQJ[¶] L DV^L , L LQGLFDWHG^L WR^L 6HQDWRU^L 6XOOLYDQ[¶] L LV^L
GRW^L VRPHWKLQJ^L WKOW^L ZH^L ++ L WKOW^L DFDGHPLF[¶] L , L WKLQN^L \W^L PHDQLQJXO[¶] L ,W^L
LQVSLUHV^L FRQILGHQFH^L LQ^L WKH^L WKOW^L DUH^L UHJXODW^H

,W^L JLYH^L WKH^L DWWUDQFH^L WKOW^L UHJXODARUV^L DUH^L DFWLQJ^L FRQMLWHQW^L ZW^L WKH^L
DXAKRULW^L DQG^L DOORZV^L WKH^L WR^L SODQ^L DQG^L DOORFDW^L UHMRXUFH^L WR^L PHW^L WKH^L
WADQGDUGV^L DQG^L PHW^L WKH^L REMHAWLYH^L WKOW^L &RQJUHW^L DQG^L UHJXODARUV^L
HWADEOLVK[¶]

KWS ↑ ↑ ZZZ FT FRP[†] GRF[†] FRQJUHWLRQDQWUDQFHSW "¶" L SULQWVWUH ¶ ¶ !!

&4 FRP 6HQDWH (QYLURQPHQW DQG L 3XEOLF L :RUNV L &RPPPLWHH L +ROGV L + 3DJH 9 HRI

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6HQDWHU L ORUDQ"

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OU L &KOLUPDQ L WKDN L \RX L YHU L PFK L *HQHDO L \RX L FDQL VHL E\ L ZKHUH L , L
VHW RQ L WKH L GDLV L WKDW L , L KOYH QW EH+Q L LQ L WKH L 6HQDWH L D L WHULEO L ORQJ L WLPH L EXW
RQH L RI L P\ L FDXHV L XSRQ L P\ L DWLYDO L DQG L GLVFRYHUV L RI L KRZ L WKH L 6HQDWH L
ZRUNV L LV L WR L WU L WR L ZRUN L ZIWK L P\ L FROHDJXHV L WR L UHDWHJW L FRQJUHWLRQDO L
DXAKRUW L

\$QG L LQ L P\ L YLHZ L WKHUHV L DL QXPEHUL RI L ZD\VL ZH L FDQL GR L WKDW L 2QH L
&RQJUHW L FRXOGL TXLW SDWLQJ L KXJH L SLHFHV L RI L CHJLVODWLRLQ L DQG L GHCHUDALQJ L
DXAKRUW LHV L WR L DJHQFLHV L DQG L GHSDUAPHQW L \$GRKHU L RQH L WKDW ZH L FRXOGL
SXUVH L DQG L , L KRSH L ZH L ZLOO L WKLV L \HDO L LV L DQ L DSSURSULDWLRLQ L SURFHWA L E\ L
ZKLFK L ZH L KOYH L WKH L RSSRUWKQW L WR L LQIOXHQFH L GHFLVLRQ L PDGH L DW WKH L
(QYLURQPHQWDO L 3URWHFWLRQ L \$JHQF\ L DQG L HYHU L RAKHUL DJHQF\ L DQG L
GHSDUAPHQW L

\$QG L RQH L RI L WKH L WKLOQJV L ++ L DQG L ZH L GR L WKDW E\ L GHMORSLQJ L DL UHDWLQWKL S L ZIWK L
DQ L DJHQF\ L KHDG L NRZLQJ L WKDW ++ L DQG L , L JXHV L SDW L RI L WKDW LV L WKDW
PHPEHUV L RI L &RQJUHW L QHGL WR L EHFRPH L JUHDWHU L ++ L KOYH L JUHDWHU L CHYHOV L RI L
H[SHUWLHV L RQ L WKH L VXEHW L PDWHU L RI L WKH L MULVGLFWLRQ L

2QH L RI L WKH L VXEFRPPLWHH L , L FKDLUL LV L LQ L WKH L &RPPPLWHH L &RPPPLWHH L DQG L LW
KDV L MULVGLFWLRQ L RYHU L WKH L 1DALRQDO L +LJKZD\ L 6DIHW L ++ L 7UDI L LF L 6DIHW L
\$GPLQLWLDWLRLQ L 7KHL (QYLURQPHQWDO L 3URWHFWLRQ L \$JHQF\ L MAW L CDW L ZHN L
ILQDOL]HGL LWW L JUHQKRXHV L JDV L WDQGDUG V L IRU L OJKW L GXM L FDUV L DQG L WUXFW L IRU L
++ ++ L WR L ++ L

1RZ L WKH L ODZ L VD\VL WKDW LWW L WR L FRRUGQDWH L WKDW HI IRUW ZIWK L WKH L 1DALRQDO L
+LJKZD\ L 7UDI L LF L 6DIHW L \$GPLQLWLDWLRLQ L DQG L WKDW DJHQF\ L LV L瓦LOO L
GHMORSLQJ L LWW L RZQ L SURFHWA L WR L GHWHUPLQH L DSSURSULDWH L IXDL WDQGDUG V L

, L UDLV L WKLV L DV L DQ L H[DPSOH L RI L ZKHUH L RQFH L DJDLQ L WZL DJHQFLHV L LQWUXFWHG L
E\ L &RQJUHW L WR L ZRUN L VRJHAKHUL WR L ILQGL D L VROXALRLQ L RU L WKH L ULJKW L DQVZHU L WR L DQ L
LWXH L LJGRUHG L WKH L ODZ L , L DWXPH L \RX L ZRQGL DWXUH L PH L RU L PHPEHUV L RI L
AKLV L FRPPLWHH L WKDW WKH L (QYLURQPHQWDO L 3URWHFWLRQ L \$JHQF\ L WR L WKH L EHWA L RI L
\RXU L DELOLW L ZLOO L REH L WKH L ODZ L

&4 FRP 6HQDWL (QYLURQHQL DQGL 3XOLF L :RUNV L &RQJUHWL +ROGV L + 3DJH P HRI

%W L , L DOVR L DWXPH L WKDW L \RX L DUH L ZLOOLQJ L WR L DWAUH L PH L WKDW L ZKHQ L GLUHWG L
EV L WKH L ODZ L WR L FRRSHUDWL ZLWK L RAKHUL DJHQFLHV L WR L KDH L WKH L LQSW L RI L DQ L
DJHQFL WKDW L RXU L VXEFRPLWHL KDV L MULVGLFLRQL RYHU L DV L DL SHURQL LQ L WKH L
6HQDWL UHMSRQMLEOH L IRU L WKHMH L LWXH L , L JR L WR L WKH L DJHQFL V L WKDW L , L KDH L WKH L
PRW L QIOXHQL RYHU L DQGL WKH L VD L ZHOU L WKH L (3\$ L KDV L DOHDG L GRQL LWW L
AKLQJ

, L DWXPH L ZH L FDQ L EULQJ L WKRVH L NLQGL RI L SUDFWLFH L WR L DQ L HQG"

358,77 L

\$EVROXHO\ L 6HQDWL L , L WKLQNL WKDW L LQHJDJHQFL GLVFXWLRLQ L WKDW L
FRODERUDALRQL WR L HQXH L WKDW L WKH L LV L PHDQLQJ XOL GLVFXWLRLQ L UHMLHZ L RI L
DFWLRQ L WDHWL SODFH L , L ZDQW WR L VSHDN L JHQHDOO L WR L \RXU L GHCHUDALRQL
UHIIHQL L EHFDXVL L , L GR L WKLQNL WKDW L WKDW L LV L DL YHUV L LPSRUWDQW L LWXH L WKDW L \RX L
UDLVH

, L WKLQNL DL ORW L RI L WLPHV L ZKDW L KDV L KOSHHQH L LV L WKDW L &RQJUHWL KDV L VSRNHQ L LQ L
YHUV L JHQHDOO L ZD\VL + + L , OOL GRW VD L YDJXH L EXW DSSURDFKLQJ L YDJXHQL L DQGL
JLYLQJ L FDWHL EODQFH L RU L VXEWDQWDO L DXAKRULW L WR L DJHQFLHV L ZLWKRXW
SURYLGLQJ L WKH L NLQGL RI L IUDPHZRUN L WKDW L QHFLWDOO L IRU L WKPL WR L PDNH L WKH L
GHFLVLRQ L)URPL DL VHSUDWLRLQ L RI L SRZHV L LWXH L LWW L WKLQNL WKDW L YHUV L
LPSRUWDQW

, L WKLQNL LWW L YHUV L LPSRUWDQW L IRU L &RQJUHW L \$UWFOH L P L L WR L H[HUFLVH L LWW L DXAKRULW L
ARL JLYH L WKH L GLUHWG L WR L WKHMH L DJHQFLHV L KRZ L WKH L VKRXOG L FROGXW L WKH L
EXVLQHW L 6HQDWL &DUGLQ L LQ L KLV L FRPPHQW L DQGL TXHMLRQL HDUOLH L DERXW
AKH L ZDHWUV L RI L WKH L 8QWHL GWDWHL UXCH L , L WKLQNL WKDW L LV L DL SURECHPL SUHMHQDQ L
ODWHD L EHFDXVL WKH L GHILQWLRLQ L RI L ZDHWUV L RI L WKH L 8QWHL GWDWHL LQ L WKH L
WWDWHL LV L VR L ELJ L DQGL VR L JHQHDO L LWW FUHDWHL XQFHUNDQW

\$QGL VR L , L WKLQNL PDNLQJ L VXUH L WKDW L &RQJUHW L SHURUPV L LWW L URCH L DQGL WKH L
H[HFXWLYH L EUDQFK L SHURUPV L LWW L URCH L LQ L HQIRUFLQJ L ODZV L DQGL ZH L WU L WR L GR L
CHW L GHCHUDALRQL DQGL UHVSIRW VHSUDWLH L RI L SRZHV L LV L YHUV L YHUV L LPSRUWDQW

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, L DSSUFLDWL \RXU L UHDWXLQFH L RI L KRZ L \RX L ZRXOG L FROGXW L L L FRQILUPHG L
AKH L DJHQFL L , L DOVR L LV L DL UHICHWLRLQ L XSRQ L WKH L QHGL IRU L &RQJUHW L WR L GR L LWW L
VRE L EHWHL DQGL SHUKDSV L , L JXWHL G L \RXGL KDH L CRWKLQJ L WR L GR L ZLWK L WKDW

KWS ↑↑ ZZZ FT FRP GRF FRQJUHWL RQDOWDQWULSAW "P L SULQWVWUH P + !!

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPILWH^L +ROGV^L + 3DJH[¶] FT[¶] RI[¶]

%XW^L IRU^L PH^L DQG^L P\^L FROHDJXHM[¶] L ZH^L QHG^L WR^L EH^L PXFK^L PRUH^L SUHFLVH^L DQG^L
FCHDU^L LQL CHJLVODLRQ^L DQG^L PXFK^L PRUH^L OLNHO^L WR^L GHDO^L LQL VRDOCHU^L ELW^L VLJHG^L
SLHFM^L VR^L WKDW^L WKH^L ++ L WRR^L RMHQ^L, L WKLQN^L &RQJUHW^L LV^L LQWLHWWHG^L ++ L , L GROW^L
ZDQW^L WR^L EH^L GHURJDWRU^L WR^L DQV^L ++ L DQV^L RI^L P\^L FROHDJXHM[¶]

%XW^L WRR^L RMHQ^L ZH^L ORRN^L IRU^L WKH^L KHD3OLQH^L WKDW^L ZMH^L VROYHG^L DL SURECHPL DQG^L
VHW^L ZMH^L ++ L ZH^L FRPSODLQ^L DERXW^L ZKDW^L DQ^L DJHQFW^L GHFLVLRQ^L DUH^L DQG^L
ZMH^L JLYHQ^L WKH^L VR^L PXFK^L DXWKRULW[¶] L WKH^L KDH^L WKH^L DELOLW^L WR^L PDNH[¶] L ZKDW^L
, L ZRXOG^L FRQVLGHU[¶] L DQG^L VRPH^L RI^L XV^L PD\^L FRQVLGHU^L DL EDG^L GHFLVLRQ[¶]

358,77 L

\$QG^L WKH^L DUH^L LPSRUWDQW^L WHSV^L WKDW^L KDH^L EH^L WDNHQ[¶] L :HM^L PHQWLRQHG^L
7\$6.\$^L WKLVL PRUQLQJ[¶] L ZKHUH^L \RX^L KDG^L GRQH^L MXW^L WKDW^L GXULQJ^L WKLVL SDWW^L \HDU[¶] L
\$QG^L VR^L, L WKLQN^L WKDW^L L WKDW^L DL YHU^L LPSRUWDQW^L LWHPL WKDW^L \RX^L UDLVH[¶] L 6HQDWU[¶]

025\$1 L

7KDN^L \RX[¶] L 7KDN^L \RX[¶] L OU[¶] L &KOLUPDQ[¶]

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7KDN^L \RX^L YHU[¶] L 6HQDWU^L ORUDQ[¶] L :HOD^L QRZ^L PRYH^L WR^L D^L WKLUG^L URXQG^L RI^L
TXHMLRQ^L DQG^L \$MRUGH^L *HQHUDO^L 3ULWV[¶] L \RXYH^L MXW^L PHQWLRQHG^L 7\$6.\$[¶] L
<RX^L VH^L D^L CHW^L WR^L WKLVL FRPPLW^L LQ^L \$SULO^L + !! ¶ ↑ L VXSSRUW^L WKH^L)UDQ^L
/DXWHEHUV^L &KHLFDOL^L 6DIHM^L \$FW[¶]

,Q^L IDFW^L WKH^L WLPLQJ^L RI^L \RXU^L CHW^L ZDV^L CHW^L WKDQ^L D^L PRQWK^L DMWU^L WKH^L ELOO^L ZDV^L
LQWLQXFHG[¶] L DQG^L \RX^L ZHUH^L WKH^L ILLW^L DMRLQH^L JHQHUDO^L LQ^L WKH^L 8QWLHG^L 6ADWVH^L
AR^L VXSSRUW^L WKH^L ELOO^L 7KH^L ELOO^L XQNLPDWHO^L UHFHLYHG^L RYHUZKHOPLQJ^L ELSDUWLDQ^L
VXSSRUW^L LQ^L &RQJUHW[¶]

,W^L ZLOO^L EH^L \RXU^L MRE^L WR^L LPSCHPHQW^L WKH^L ELSDUWLDQ^L UHIRUPV^L DQG^L HQXUH^L ZH^L
KDYH^L FRQVLWHQW^L UHJXODLRQ^L WKURXJKRW^L WKH^L FRXQNU[¶] L :RXQG^L \RX^L GLVFXW^L
AKH^L SDQV^L WKDW^L \RX^L PLJKW^L KDYH^L WR^L LPSCHPHQW^L WKLVL CHJLVODLRQ^L DQG^L ZLOO^L \RX^L
FRPPLW^L WR^L LPSCHPHQW^L WKH^L CHJLVODLRQ^L LQ^L D^L WLPHO^{\^L} PDWHU["]

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6HQDWU^L DQG^L OU[¶] L &KOLUPDQ[¶] L \HM[¶] L , L WKLQN^L LQ^L UHSRQH^L WR^L REOLJDWLRQ^L RI^L WKH^L
(3\$^L WKLVL ERG^L KDV^L SXW^L WLPHOLQH^L EHIRUH^L WKH^L (3\$^L WR^L FDWW^L \RXW^L FHJWDLQ^L
UXCHPDNLQJ[¶] L WKH^L 3ULRUW^L]DWLRQ^L 5XCH[¶] L WKH^L 5LVN^L (YDOXDWLRQ^L 5XCH[¶] L IHHV^L WKDW^L
QHG^L WR^L EH^L HWADEOLVKHG[¶] L DQO^L WKRVH^L DUH^L PLG[¶] L WHUP^L LQ^L + !! ¶ → ¶

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L +3DJH[¶] FT|R^I LL

\$QGL^L, L WKLQN^L WKH^L PDWHU^L RI^L WKH^L (3\$^L DGPLQLWUDWRU^L VRXOG^L ++ L PDLQJ^L WKDW^L D^L SULRUW^L DW^L WKH^L DJHQF[¶] L, L DOVR^L WKLQN^L WKDW^L LQ^L UHSRQH^L WR^L 6HQDWL^L *LOOLEUDQG^L HDUOLHU^L DQG^L RAKHUV^L KDYH^L UDLVHG^L WKLV[¶] L WRL[¶] L WKH^L DUH^L FHJWDLQ^L & LQDXGLEOH^L L WKDW^L QHG^L WR^L EH^L DGGUHWHG^L LQ^L HYDOXDWLQJ^L WKDW^L OLWLQJ^L XQGHUL^L 76&\$^L RU^L SHKDSV^L WKH^L 6DIHL^L 'ULQNLQJ^L :DWHU^L \$RW^L DV^L ZHOO[¶]

\$QGL^L VR^L, L WKLQN^L WKH^L VSHFLILF^L DFWLRQV^L WKDW^L QHG^L WR^L EH^L WDNHQ^L EXW^L DOVR^L WKH^L UXCHPDNLQJ^L SURFHUV^L DQG^L WKH^L GHDOOLAHV^L EHLDQJ^L DCKHJHG^L WR[¶]

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7KH^L ++ L \RX^L PDGH^L UHIIHUHQFH^L WR^L ++ L DQG^L, L GLG^L LQ^L P\ L RSHQLQJ^L VADWPHQW[¶] L DV^L ZHOO[¶] L WR^L) OLOW^L DQG^L WKH^L ZDV^L VRPH^L JLYH^L DQG^L WDNL^L RQ^L) OLOW^L D^L OLWCH^L HDUOLHU[¶] L 7KH^L RAKHUL^L WKLQJ^L, L EURXJKW^L XS^L ZDV^L WKH^L *ROG^L. LQJ^L OLQH^L VSLOO^L LQ^L &RORUDGR[¶] L DQ^L HQYLURQPHQWDO^L GLVDWPHU^L FDXVHG^L E\ L WKH^L (3\$[¶]

/DW^L) ULD\ \ L WKH^L (3\$^L DQQRXQFHG^L WKDW^L LW^L KDV^L GHQHGL^L DOD^L FODLPV^L IRU^L WKH^L • ¶ L ELOOLRQ^L LQ^L ORWW^L LQFRPH[¶] L ORWL^L RI^L XVL^L RI^L SURSHUW^L DQG^L GPDJHV^L WR^L WKH^L EXVLQHWHV^L DQG^L WKH^L SURSHUW^L VXIIHUHG^L E\ L → T L WULEHM[¶] L E\ L OQQ^L RZQHUV[¶] L ORFDOL^L EXVLQHWHM[¶] L ORFDOL^L JRYHJQPHQW^L DV^L DL^L UHMXOW^L RI^L WKH^L VSLOO[¶]

7KH^L (3\$V^L H[FXVH^L ZDV^L IWW^L CHJDOL^L LQWHUSUWDLRQ^L RI^L WKH^L) HGHUDO^L 7RUW^L &ODLPV^L \$FW^L L \$FFRUGLQJ^L WR^L WKH^L (3\$[¶] L L L D^L IHGHUDO^L DJHQF\ L KXUW^L VRPHRH^L WKURXJK^L D^L GLVFUHWLRQDU^L DFWLRQ[¶] L WKH^L WKH^L) HGHUDO^L 7RUW^L &ODLPV^L \$FW^L GRHV^L QRW^L DSSO[¶]

1RZ^L WKLV^L GRHMOW^L HYHQ^L VRXQG^L ULJKW^L WR^L PH[¶] L 6R^L L L FRQILUPHG[¶] L ZLOO^L \RX^L FRPPLW^L WKDW^L \RXOOL^L UHYLHZ^L WKDW^L GHFLVLRQ^L DQG^L XVL^L ZKDWYHU^L DXWKRULW^L LV^L DYDLODEOH^L WR^L \RX^L XQGHUL^L WKH^L ODZ^L WR^L KHOS^L WKH^L SHRSCH^L WKDW^L KDYH^L EHQL^L KOUFHGL^L E\ L WKH^L (3\$V^L QHJOLJHQFH[¶]

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4H[¶] L OU[¶] L &KDLUPDQ[¶]

%\$55\$662 L

7KDQN^L \RX[¶] L 6HQDWL^L &DUSHU["]

&\$53(5 L

KWS ↑ ↑ ZZZ[¶] FT[¶] FRP[†] GRF[†] FRQJUHWLRQDOWDQWULSAW "¶" L SULQWVWUH ¶ + !!

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWWH^L +ROGV^L + 3DJH[¶] T+RI^L

7KQNV^L YHU^{\|} PXFK^{\|} \$ TXHMLRQ^{\|} OUK^{\|} &KOLUPDQ^{\|} , NQRZ^L \RX^L GLG^L QRM^L XHL^L
ZKHQ^L \RX^L + + ZKHQ^L \RX^L WDUWHG^L WKLVL^L URXQG^L RI^L WKH^L TXHMLRQ^{\|}
\RX^L GLG^L QRM^L XHL^L OLNH^L + PLQXWHM^L DQG^L !! VHFQGV^L RI^L \RXU^L WLPH^{\|} \$QGL ZKHQ^L
\RX^L + + ZKHQ^L \RX^L FRPPHQW^L OLNH^L \RXYH^L MXW^L FRPPHQW^G DUH^L \RX^L GUDZLQJ^L
GRZQ^L RQ^L WKW^L + PLQXWHM^L DQG^L !! VHFQGV["]

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, WKLQN^L, MXW^L + + \HM^{\|} WKW^L ZDV^L + + WKW^L ZDV^L + + , QRZ^L LQ^L WKH^L WKLUG^L URXQG!
TXHMLRQLQJ^{\|} \HM^{\|} VLJU^{\|}

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\$00^L ULJKW^{\|}

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\$QGL WKHQ^L, ZRXQG^L UHICHW^L WKH^L IDPW^L WKW^L ORNLQJ^L EDFN^L DW^L (3\$ L QPLQDWLRQ^L
KHDULQJ^L SURFHWHM^{\|} ZKHQ^L *LQD^L OF&DUWK^{\|} ZDV^L QPLQDWHG^L DQG^L FDPH^L WR^L
AKLV^L FRPPLWWH^{\|} &KOLUPDQ^L %DUEUD^L %RJH^{\|} WZR^L URXQG^{\|} ILUVW^L URXQG^L ILYH^L
PLQXWHM^{\|} VHFQGV^L URXQG^L WZR^L PLQXWHM^{\|} :HJH^L QRZ^L LQ^L WKH^L WKLUG^L URXQG^L RI^L ILYH^L
PLQXWHM^{\|}

6R^L, WKLQN^L WKW^L WKH^L &KOLUPDQ^L KDV^L WULHG^L WR^L OLWHLQ^L WR^L RXU^L + + LQ^L IRU^L RXU^L
GLVFXWLQV^L DQG^L ZIWK^L RAKHUL^L PHPEHUV^L WR^L PDNH^L VXUH^L WKW^L DOO^L WKH^L
HPRFUDAW^L DQG^L HYHU^{\|} PHPEHUV^L KDG^L D^L FKQFH^L WR^L DVN^L DV^L PDQ^{\|}
TXHMLRQ^{\|}

&\$5', 1 L
7KQNV^L \RX^L IRU^L WKW^L FODUL^L FODUL^L

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◀◀◀ L DV^L WKH^{\|} KDG^{\|}

&\$5', 1 L
7KQNV^L \RX^{\|}, ZDQW^L WR^L JR^L EDFN^L VRPHWKLQJ^L WKW^L ZDV^L VDLG^L E\ L RQH^L RI^L RXU^L
FRQHDXHV^L ZIWK^L UHSHFW^L WR^L (3\$ L DQG^L DFWDQO^L YLWILQJ^L WWDWHM^L DQG^L
SDWLFLSDWLQJ^L LQ^L PHWLQJV^L LQ^L WKRWH^L WWDWHM^{\|} ZIWK^L UHSHFW^L WR^L WKH^L FRPELQHG^L
SRZHJ^L SODQ^{\|}

&4 FRP[†] 6HQDWH^L (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPILWTH^L +ROGV^L + 3DJH[¶] T[‡] RI[¶]

\$QG^L, L WKLQN^L LW^L ZDV^L VDLG^L WKOW^L LW^L ZDVQW^L :HW^L 9LUJLQLD[¶] L P\ L QDLYH^L WWDWH[¶] L
QDLYH^L WWDWH^L RI^L P\ L IULHQG^L IURPL^L :HW^L 9LUJLQLD^L ZDV[¶] L WKOW^L ZDV^L CRW^L YLVWHD[¶] L
:HYH^L KHDUG^L VLQFH^L WKH^L IURPL^L -RH^L *RI IPDQ[¶] L ZKR^L LV^L WKH^L FRXQHDLWR^L -DQH^L
OF&DLQ[¶] L -DQH^L LV^L WKH^L (3\$^L DVLWWDQW^L DGPLQLWUDARU^L IRU^L DLU[¶] L DVL\ RX^L PD\ L
NQRZ[¶] L WKOW^L KH^L VDLG^L KH^L SHVRQDOO^L SDUWFLSDWHL^L LQ^L PHWLQJV[¶]

2Q^L DL &CHDQL^L 3RZHJ^L 3DQ^L LQ^L :HW^L 9LUJLQLD^L DOVR^L LQ^L .HWKFN[¶] L)ORULGD[¶] L
7HJDW[¶] L 3HQQMOYDQLD[¶] L 1HYDGD[¶] L :DMKLQJWRQ[¶] L 2UHJRQ[¶] L &DOLIRUQLD[¶] L
:VPLQ[¶] L 1RUWK^L 'DNRAD[¶] L &RORUDGR[¶] L ,OOLGRLV[¶] L DQG^L, L WKLQN^L 1HEUDMD[¶] L , L ZURWH^L
DL CHWHL^L WR^L *LQD^L OF&DUWK^L RQ^L -DQXOU^L ¶ ¶ ¶

[¶] RX^L PD\ L UHFDOO[¶] L OU[¶] L 3UXLW[¶] L , L ZURWH^L DL CHWHL^L WR^L \RX[¶] L , L WKLQN^L RQ^L 'HHPHEU^L
+ L DQG^L SRMGL^L DL VHJLHV^L RI^L TXHMLRQV^L WR^L \RX^L DQG^L DVHGL^L IRU^L RXUL^L UHSRQMV^L
E\ L -DQXOU^L ¶ L DQG^L, L KOYH^L \HW^L WR^L UHFHLYH^L WKRVL^L ++ L WKRVL^L UHSRQMV^L \$QG^L, L
ZURWH^L DL CHWHL^L WR^L KH^L RQ^L -DQXOU^L ¶ ¶ ¶ L WR^L DJDLQ^L WR^L *LQD^L OF&DUWK^L DQG^L WR^L
\$WLWWDQW^L 6HFWHNU^L 'DUF\ L RI^L WKH^L ++ L WKH^L 'HSUWPHQW^L RI^L WKH^L \$UP[¶]

\$QG^L, L + + L, L ZURWH^L EHDXVH^L ZHUH^L JHWLQJ^L RXUL^L KHULQJ^L LQ^L ++ L RQ^L RXUL^L RI ILFH^L DL
ZKROH^L OLWW^L RI^L + + L RI^L DVFHJWDLQV^L DERXW^L WKH^L ZDWUV^L RI^L WKH^L 8[¶] 6[¶] L \$QG^L, L WKLQN^L WKL^L
LV^L PD\EH^L DQ^L LQWUXFALYH^L IRUXPL^L IRU^L DOO^L RI^L X\ L + HUHV^L WKH^L WKLQJV^L WKOW^L ZH^L
ZHUH^L KHULQJ^L DQG^L DOO^L WKHM^L SHRSCH^L MXWW^L FDOLQJ^L LQ^L ++ L LQ^L 'HODZDUH^L DQG^L CHG^L
X\ L WR^L DVN^L WKHM^L TXHMLRQV^L

2QH^L RI^L WKH^L TXHMLRQV^L ZDV[¶] L DUH^L WKH^L (3\$^L DQG^L WKH^L &RUSVL FXWQHNO^L
LPSCHPHQWNLQJ^L QHZ^L &CHDQL^L :DWHU^L 5XCH[¶] L \$QG^L WKH^L DVFHJWDLQ^L ZDV^L WKOW^L
LQGHG^L WKOWW^L EHQL^L KDSHQLQJ[¶] L 6R^L ZH^L DVN^L L LV^L WKOW^L UHDQ^L L WKH^L FDVH[¶] L \$QG^L
AZR^L GD\VL^L ODHU[¶] L WR^L GD\VL^L ODHU^L ZH^L UHFHLYHG^L DL UHSRQMV[¶] L | 1R[¶] L WKH^L
DJHQFLHV^L DUH^L CRW^L QRZ^L LPSCHPHQWNLQJ^L WKH^L QHZ^L &CHDQL^L :DWHU^L 5XCH[¶]

,PSCHPHQWNLQ^L RI^L WKH^L QHZ^L UXCH^L ZDV^L WHPSRUDU^L WDIHG^L E\ L WKH^L 6LWK^L
&LUFXLW^L &RXUW^L RI^L \$SSHDOV[¶] L \$QG^L 6HSWPEHUL^L + !! ¶ + L WKH^L DJHQFLHV^L
LPPHGLDWH^L GLUHFHGL^L WKHLU^L I LHOGL^L RI ILFH^L WR^L VARS^L XVLQJ^L WKH^L QHZ^L UXCH^L DQG^L
LQWHDGL^L UHMXP^L LPSCHPHQWNLQJ^L UHJXODWLRQV^L LQ^L LQWHSUWALQJ^L WKH^L JXLGQFH^L
SULRU^L WR^L WKH^L QHZ^L UXCH^L L 7KOW^L ZDV^L RQH^L RI^L WKH^L TXHMLRQV^L ZH^L DVHGL[¶]

:H^L DOVR^L DVHGL[¶] L EHDXVH^L ZHUH^L KHULQJ^L DVFHJWDLQ^L RAKHULVH^L E\ L WKH^L (3\$^L
DQG^L &RUSVL FXWQHNO^L SXUMLQJ^L HQIRUFPHQW^L DWAIRQV^L SXUMLQW^L WR^L WKH^L QHZ^L
&CHDQL^L :DWHU^L 5XCH[¶] L \$QG^L ZH^L JRM^L RQ^L WKH^L VDPH^L GDW[¶] L -DQXOU^L ¶ + L WKL^L
UHSRQMV[¶] L WKH^L VDLG[¶] L | 1R[¶] L WKH^L DJHQFLHV^L DUH^L CRW^L SXUMLQJ^L DQ^L
HQIRUFPHQW^L DWAIRQV^L SXUMLQW^L WR^L WKH^L QHZ^L &CHDQL^L :DWHU^L 5XCH[¶] L DQG^L ZLOO^L CRW^L
HQIRUFH^L WKL^L UXCH^L XQCHW^L DQG^L XQWLO^L WKH^L 6LWK^L &LUFXLW^L \$SSHDOV^L WDIVL^L LV^L
OLWHS[¶]

KWS ↑ ↑ ZZZ FT FRP GRF FRQJUHMLRQDOWDQWULSAW "¶ + SULQWVWUH ¶ + !!

&4 FRP 6HQDWH (QYLURQPHQW DQG L 3XEOLF L :RUNV L &RPPLWVH L +ROGV L + 3DJH P L RI L

7KH L CH W TXHVALRQL ZH L DVNHGL EHFDXVL ZHUL KHDULQJ L DVFHJWDLQV L
RAKHUZLVH L GRHV L DQWKLQJ L LQ L WKH L &CHDQL :DWHUL 5XCHL UHYRNHL RU L RAKHUZLVH L
PRGLI \ L WKH L &CHDQL :DWHUL \$FVL VWDWWARU\ L DQG L UHJXODARU\ L H[PSALRQV L IRU L
IDUPLQJ L DQG L UDQFKLQJ L 5HMSRQH L WZL GDVVL ODWHUL -DQXOU\ L | T ZD\ L | 1R L
WKH L &CHDQL :DWHUL 5XCHL PDNHVL DEVROXHO\ L QR L FKDQJHV L WR L GRUPDOL IDUPLQJ L
UDQFKLQJ L DQG L IRUHWWU\ L H[PSALRQV L HVNDEOLVKHG L XQGHUL WKH L &CHDQL :DWHUL
\$FVL LQ L LPSOHPHQWLQJ L UHJXODARQV L

6R L TXHVALRQL QXPHEUL IRXU\ L 6RPHL KOYH L FODLPHGL WKDW L ODQGRZHV L ZLOO L QR L
CRQJH L EH L DEOH L WR L UHO L RQ L WKH L &CHDQL :DWHUL \$FVL VWDWWARU\ L DQG L UHJXODARU\ L
H[PSALRQV L IRU L IDUPLQJ L DQG L UDQFKLQJ L VRXOG L WKH L &CHDQL :DWHUL 5XCHL JR L
LQAR L HI IHW EHFDXVL ZKLOH L WKH L VWDWWH L DQG L UHJXODARQV L UHPDLQ L XQFKDQJHG L
WKH L DJHQFLV L KDV L QDURZHGL WKH L + + L WKRVL H[PSALRQV L LQ L SUDFWLFH L WKLRXJK L
WKH L DFWLRQV L LQ L WKH L TLHOG\

,V L WKDW WUXH L \$Q L WKH L DQVZHU L LV L VXSULVILQJO\ L | 7KH L DVFHJWDLQ L RI L WKH L
DJHQFLHV L KOYH L QDURZHGL DSSOLFDWLRQ L RI L WKH L VWDWWARU\ L DQG L UHJXODARU\ L
H[PSALRQV L IRU L IDUPLQJ L UDQFKLQJ L DQG L IRUHWWU\ L LV L XQWUXH\

7KH L DJHQFLHV L KOYH L WDNHQL QR L WHSV L LQHQCHGL WR L UHGXFH L WKH L VFRSH L RI L WKH L
H[PSALRQV L DQG L ZH L KOYH L GRW REVHUYHG L FKDQJHV L E\ L TLHOG L RI I L FH L LQ L WKH L
ZD\ L WKH L LQWHSUHW RU L LPSOHPHQW WKHM L H[PSALRQV\ L ,Q L IDFW L WKH L &RUSV L KDV L
UHPSKDM]HG L SXEOLFOV L WKDW WKHM L H[PSALRQV L DUH L VHDIT L LPSOHPHQWLQJ\

)DUFHUV L UDQFKHUV L DQG L IRUHWWU\ L DUH L GRW UHTXLHGL WR L JHW DSSURYDO L TURPL
WKH L DJHQFLV L SULRU L WR L XVLQJ L WKH L H[PSALRQV\ | L , L UDLVH L WKLV L EHFDXVL
VRPHWLPHV L ZKDW SHRSOHL DWHWW WR L EH L WUXH L VRPHWLPHV L LW L RYHU L WKH L
,QWHLQH L VRPHWLPHV L LW L RQ L WHCHYLVLQJ L VRPHWLPHV L LW L LQ L + + L RQ L WKH L UDGLR L
QHZVSDSHUV L \$VFHJWDLQV L DUH L PDGH L DQG L LQ L WKLV L FDW L WKHUHV L D L ZKRCH L CRQJ L
OLW RI L DVFHJWDLQV L WKDW DUH L PDGH L CRQH L RI L WKH P L DUH L WUXH\

7KH L DUH L GLWRRUWLQV L XQWUXH L LV L DERXW ZKDW WKH L (3\\$ L LV L GRLQJ L ZIWK L UHSHFW
WR L D L UHJXODARQ L WKDW ZD\ L VWDVHG L \$Q L , L ZRQGL DVNL WR L IRU L WKH L UHFRUG L OU L
&KOLUPDQL WR L EH L DEOH L WR L VXEPLW IRU L WKH L UHFRUG L WKH L TXHVALRQV L WKDW ZH L
SRVHG L WR L (3\\$ L RQ L -DQXOU\ L | | L DQG L DOVR L WKH L UHMSRQHVL WKDW ZH L KOYH L
UHFHLYHG\

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:WKRXW REMHFWLRQ\

&\$53(5 L

KWS ↑ ↑ ZZZ FT FRP GRF FRQJUHWL RDOWDQWULS "P L SULQWVWUXH P + !!

&4 FRP[†] 6HQDWL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L +[¶] 3DJH ¶ → U!RI

7KDQN^L \RX

%\$55\$662 L

6HQDWU^L ,QKRIH"

&\$53(5 L

,P^L QRW^L WKURXJK

%\$55\$662 L

2K^L ,P^L VRUW\ RX^L 7KDQN^L \RX^L DQG^L JR^L ULJKW^L DKHDG

&\$53(5 L

, L ZDV^L WKDQNLQJ^L \RX^L IRU^L HQWHULQJ^L LW^L IRU^L UHFRUG

%\$55\$662 L

\RX^L KDYH^L ± !! L + + L CHAW^L JR^L EDFN^L IRU^L WK^L ± T L VHFQGV^L UHPDLQLQJ

&\$53(5 L

2K^L WKDQNLQJ^L ,GL OLNH^L WR^L ORRN^L DW^L D^L FKDW^L L L I L \RX^L GROW^L PLQG^L 7KLV^L LV^L D^L UHSRUW^L WKLV^L LV^L D^L UHSRUW^L FDUG^L &DQ^L \RX^L UDLVH^L LW^L XS^L <HDK^L WKDQNL^L \RX^L 7KLV^L LV^L D^L UHSRUW^L FDUG^L WKDW^L OLWWL^L ¶ → L FRXQNLHV^L +RZ^L PDQV^L FRXQNLHV^L GR^L \RX^L KDYH^L LQ^L 2NODKRPD"

358,77 L

6HYHQ^L + +

&\$53(5 L

6HYHQ+ VHYHQ

♂ /\$8*+7(5□

358,77 L

OU^L &KDLUPDQ^L FDQ^L , L UHIIHU^L WR^L 6HQDWU^L ,QKRIH^L RQ^L WKMH^L TXHMLRQV"

%\$55\$662 L

KWS ↑ ↑ ZZZ FT FRP[†] GRF[†] FRQJUHWLRQDOWDQFULSAW "¶ ± SULQWWUXH ¶ + !!

&4 FRP[†] 6HQDWH^L (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L + 3DJH[¶] → LPR^I LL

◀DK[¶] L \HDK[¶] L \HDK[¶]

&\$53(5 L

, L ZDV^L ZDWFKLQJ^L ++ L KLV^L OLSV^L DUH^L DSSDUH^L PRYLQJ^L ZKHQ^L \RX^L VSHDN[¶] L VR[¶]

♂ 81.12:1□ L

,WW^L ULJKW^L KHJH[¶]

&\$53(5 L

\$OO^L ULJKW[¶] L WKDN^L \RX[¶] L \$W- WKH^L VDPH^L WPH^L \RXYH^L BHQ^L VXLQJ^L (3\$^L RQ^L IWW^L R|RQH^L WDQGDUG[¶] L DOO^L WKH^L FRXQNLHV^L LQ^L 2NODKRPD[¶] L IRU^L IWW^L GDWD^L LV^L FROHFWLQJ^L HDUQHG^L DQ^L) L TURP^L WKH^L \$PHULFDQ^L /XQJ^L \$WRFLDWLRQ^L IRU^L QRW- PHWLQJ^L R|RQH^L KHDOWK^L WDQGDUG[¶]

<RX^L KDYH^L + !! L FRXQNLHV^L WKDW- WKH^L ZLOO^L KDYH[¶] L WKH^L \$PHULFDQ^L /XQJ^L \$WRFLDWLRQ^L GRHMOW- KDYH^L GDWD^L RQ^L SURJUHW^L PDGH^L RU^L QRW- PDGH^L ZLWK^L UHVSHW- WR^L R|RQH[¶] L 7KMH^L DUH^L WKH^L RQH^L ZH^L KDYH^L LQIRUPDWLRQ^L RQ[¶] L ¶ → L + + L RQH[¶] L ¶ → L FRXQNLHV^L TURP^L ODGHILUD^L WR^L 7XOVD[¶] L <RX^L OLYH^L LQ^L 7XOVD[¶] L , L VVSHFW[¶] L \RXUH^L LQ^L 7XOVD^L FRXQW["]

358,77 L

◀M[¶] L VLU[¶]

&\$53(5 L

◀DK[¶] L WKH^L DOO^L JRW^L)V[¶] L 7KH^L L JRW^L)V[¶] L 7KLV^L LV^L ODMW- \HDU[¶] L + !! ¶ + L 0\ L TXHVALRQ^I AR^L \RX^L LV[¶] L ZKDW- GLG^L \RX^L GR^L DERXW- LW^L :KDW- GLG^L \RX^L GR^L DERXW- EHIRUH^L RU^L VLQFH["]

358,77 L

6HQDWRU[¶] L WR^L WKLQJW[¶] L RQH^L + +

&\$53(5 L

6RPHWPHV^L SHRSCH^L ZLOO^L EHOLHYH^L ZKDW- ZH^L VD\[¶] L 7KH^L ZDQW- WR^L + + L WKH^L PD\^L QRW- EHOLHYH^L ZKDW- ZH^L VD\[¶] L EXW- WKH\OO^L EHOLHYH^L ZKDW- ZH^L GR[¶] L :KDW- KDYH^L \RX^L GRQH^L DERXW- WKLV["]

&4 FRP[†] 6HQDWHL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L + 3DJH[¶] → URI^L

358,77 L

EH[¶] L VR^L 6HQDWU[¶] L WZR^L WKLQJV[¶] L , L UHDOD^L EHOLMH^L WKHUH^L QHHGV^L WR^L EH^L DL
ALHPHQGRXVL HI IRUW^L PDGH^L E^L FRXQNLHV^L DFURWL^L WKLV^L FRXQNU^L WR^L PRYH^L CRQ^L
DMDLGPHQW^L LQH^L DMDLGPHQW[¶] L 2YHUL[¶] + !! L SHUFHQW^L RI^L WKH^L FRXQNU^L ++ L RU^L
SUHMHQNO[¶] L + !! L SHUFHQW^L RI^L WKH^L FRXQNU^L DSSUR[LPDWHO^L LV^L LQ^L CRQ^L DMDLGPHQW^L
DQG^L WKHUH^L QHHGV^L WR^L EH^L JUDW^L SULRUW^L]DWLRQ^L ZLWK^L WKH^L (3\$^L DQG^L ORFDOL^L RI^L LFLOV^L
LQ^L DFKLHYLQJ^L DMDLGPHQW[¶] L 6HFRQGO[¶] L WKH^L (3\$^L ▲ ▲ ▲

&\$53(5 L

%XW^L WKDW^L ZDQW^L P\^ L TXHVALRQ[¶] L O\^ L TXHVALRQ[¶] L OU[¶] L 3UXLW[¶] L ZDQ[¶] L ZKDW^L GLG^L \RX^L
GR^L DERXW^L WKDW^L <RYH^L JRW[¶] → L FRXQNLHV^L LQ^L ZKLFK^L WKH^L KOYH^L WKH^L GDWD^L TURP^L
CDWW^L \HDU[¶] L :KDW^L GLG^L \RX^L GR^L DERXW^L IW[¶] L EHIRUH^L RU^L VLQFH[¶] L 7KDW^L ZKDW^L,P^L
DMLQJ^L \RX[¶]

358,77 L

\$V^L ,YH^L LQGLFDWHL[¶] L \RX^L NQRZ[¶] L DV^L LQGLFDWHL^L LQ^L RXU^L PHWLU[¶] L LQGLYLGXDOO[¶] L WKH^L
SULPDU^L HQIRUFPHQW^L UHMRQMLEOLW^L LQ^L 2NODKPD^L ZLWK^L UHMSHW^L WR^L DLU^L
TXDOLW^L SHUPLAW^L DQG^L WKH^L UHWA^L LV^L WKH^L 'HSUJPHQW^L RI^L (QYLURPHQWDO^L 4XDOIW[¶]
\$QG^L WKHUH^L KOYH^L EHQ^L DWLRQ^L WDNHQ^L E\^ L '(4^L DQG^L WKH^L FRQWLOXDOO^L ZRUN^L
ZLWK^L WKRVH^L FRXQNLHV^L WR^L UHDFK^L DMDLGPHQW[¶] L \$QG^L ZH^L SURYLGH^L JHQHUDO^L
FRXQMHOL^L DGYLVH^L WR^L WKDW^L DJHQF\^ L LQ^L WKH^L SHUJUPDQFH^L RI^L WKH^L URCH[¶]

&\$53(5 L

,P^L ++ L ,P^L CRW^L WKH^L DMRUGH[¶] L JHQHUDO^L RI^L 'HODZDUH^L DQG^L , L KOYH^L GR^L LQHQLRQ^L WR^L
EH^L EXW^L LI^L ¶ → L RI^L RXU^L VADWVM^L ++ L ¶ → L RI^L RXU^L FRXQNLHV^L LQ^L 'HODZDUH^L ++ L ZH^L RQO[¶]
KOYH^L WKH[¶] L EXW^L LI^L ¶ → L RI^L WKH^L RU^L LI^L DOOL^L WKH^L RI^L WKH^L JRW[¶])V[¶] L , L SUREDEO^L +
ZRCOG^L GR^L VRPHWKLQJ^L DERXW^L IW[¶] L 7KDN^L \RX[¶]

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6HQDWU^L ,QRIH["]

,1+2)(L

&4 FRP 6HQDWL (QYLURPHQW DQG L 3XEOLF L :RUNV L &RPPILWHL +ROGV L + 3DJH "P → LRI

7KDN L \RX L OU L &KDLUPDQ L &RQJUHW L UHFQW L SDWHGL D L ESDUWLDQ L ELOO L
PDQ L RI L XVL XS L KHLH L VXSRLWHL LWW L , L NGRZ L , L GLG L \$V L SDW L RI L WKH L :DWHUL
, QIUDWUXFWLH L %LOO L WR L DOORZ L WDW L WR L CHDG L LPSCHPHQWDLRQ L DQG L
HQIRUFPHQW L RI L (3\$V L FRDOL DVK L UXCH L WKURXJK L WKH L WDW L EDWGL SHUPLW
SURJUDP L

7KDW L UXCH L LV L DOLHDG L LQ L HI IHW L DQG L LWW L LPSRUWDQW L WKDW L WKH L (3\$ L PRYH L
TXLFNO L RQ L WKLV L , L \RX L DUH L FRQILUPHG L DUH L \RX L JHW L ULJKW L RQ L WKLV L WKLQJ"

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4M L 6HQDWL ,QRIH L

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\$00 L ULJKW L 6XH L DQG L VHWHCH L ZH L DOL NGRZ L ZKDW WKDW L V L :H L NGRZ L WKDW WKH L
JURXSW L PD\EH L VRPH L RI L WKH L HQYLURPHQWDLW L HMLWPLW L JURXSV L ZLOO L ILOH L
ODZVXLW L DQG L DJDLQW L WKH L (3\$ L 7KH L (3\$ L LQWHDGL RI L GHIIHQGLQJ L DJDLQW L
WKH L ODZVXLW L ZLOO L HQWHU L LQWR L D L + + L D L UHMROWLRQ L EHKLQG L FORMHG L GRRUV L ZLWKXW L
DQ L SXEOLF L LQSW L RU L SDUWFLSDWLRQ L

7KMH L VHWHPHQW L UHIXOW L LQ L QHZ L VHW L RI L CHJDOO L ELOGLQJ L SULRUWLHV L DQG L
GXWHLV L IRU L WKH L (3\$ L WKDW DFKLHYH L WKH L GHFDQGV L RI L VSHFLDO L LQWHLW L L &DQ L
\RX L WKDUH L \RX L WKURXJKW L RQ L VXH L DQG L VHWHCH"

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6HQDWL L WKLV L LWXH L FDPH L XS L HDUOLHU L DQG L LWW L D L FRQFHQ L EHFDXVH L LWW L
UHJXODALRQ L WKURXJK L O\WJDALRQ L DQG L DQ L WLPH L WKDW \RX L + + L WKH L D L SODFH L IRU L
FRQHQW L GHFUHHV L LQ L RXU L O\WJDALRQ L VVWHP L

%XW L XHL D L FRQHQW L GHFUHH L VR L E\SDW L &RQJUHW L E\SDW L WKH L UHJXODALRQ L
UHTXLWPHQW L EHILQJ L SODFH G L XSRQ L WKRH L DJHDFLHV L WR L HQJDJH L LQ L
UXCHPDNLQJ L WKURXJK L O\WJDALRQ L LV L VRPHWKLQJ L , L WKLQ L VKRXOG L CRW L RFFXU L

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\$QG L WKDW L WKH L SDW L WKDW GLG L CRW L FRPH L XS L HDUOLHU L DQG L , L DSSUHFLDWH L WKDW
YHUV L PXFK L \$QG L WKH L ODWOLW L WKH L FRW L RI L UHJXODALRQ L L \$V L \RX L NGRZ L WKH L
6XSUHPL &RXW L RYHUVLQHG L (3\$V L PHUXU L DQG L DLUL VR [LFLWLHV L WKDW PHW WKH L
UXCH L LQ L + ! "P ↑ L EHFDXVH L WKH L (3\$ L IDLOHG L WR L LJGRUH L WKH L IDFW L WKDW WKH L FRW L ZDV L
• ← + L ELOOLRQ L DQQXDOO L RI L WKH L UXCH L

KWS ↑ ↑ ZZZ FT FRP GRF FRQJUHWL RDOWDQWULS "P ↑ SULQWVW L P + !!

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L + 3DJH[¶] → 4RI

1RZ^L LQ^L IDFW[¶] WKH^L (3\$V^L UHJXODUO\^L LWXHG^L UXCHV^L RYHU^L WKH^L SDW^L HJJKW^L \HDUV^L
AKOW^L DUH^L YHU^L FRW[¶] IRU^L RXU^L LQGXWULHV^L DQG^L RXU^L MRE^L FUHDWRUV[¶] \$FRUGLQJ^L WR^L
AKH^L &56^L ++ QRZ^L WKH^L &56[¶] ZKHQ^L WKH^L PDNH^L DQ^L HYDOXDWLRQ^L DUH^L PXFK^L PRUH^L
FRQHUYDALYH[¶] 7KH^L ILJXUH^L IWW^L DOZD\VL^L DL^L YHU^L FRQHUYDALYH^L ILJXUH[¶]

%W^L WKH^L VDLG[¶] WKH^L &CHDQ^L 3RZHJ^L 3DQ[¶] LW^L ZRXOG^L EH^L DW^L CHDW^L • ↑ L ELOOLRQ^L WR^L • ← |
ELOOLRQ^L DL^L \HDU[¶] 7KH^L ILJXUHV^L, YH^L KHDUG^L RQ^L WKDW^L DUH^L JUHDWU^L EHDXVH^L LW^L
ZRXOGW^L EH^L WKDW^L PXFK^L GLI1HJQFH^L WKDQ^L WKH^L ROG^L V\WHPV^L WKDW^L WKH^L WULHG^L WR^L
GR^L WKURXJK^L CHJLVODWLRQ[¶]

7KH^L PHWKDQH^L WDQGDUGV^L RQ^L RLO^L DQG^L JDV^L IDFLORWLM[¶] • ↑ !! L PLOOLRQ^L DL^L \HDU[¶] L
7KH^L GHZ^L RJRCH^L WDQGDUGV[¶] • ¶ ← | L ELOOLRQ[¶] 7KH^L ± !! ¶ ↑ L FRDOL^L DMK^L WDQGDUGV[¶] L
• ↑ ← → L PLOOLRQ^L DL^L \HDU[¶] \$QG^L WKH^L ± !! ¶ ¶ L VDOIXUL GLR[LGH^L WDQGDUGV[¶] • ¶ ← ↑ L ELOOLF
\HDU[¶]

1RZ^L ZKHQ^L \RX^L KHDU^L WKLV[¶] DOD^L WKLV^L PRQHVL^L EHLOQJ^L VSHQW^L IRU^L FRPSOLDQFH^L
FRWWL E\ RXU^L MRE^L FUHDWRUV[¶] SHRSCH^L RXW^L WKH^L DUH^L ZRUNLQJ^L IRU^L D^L OLYLQJ^L DQG^L
AKH^L UH^L KLULQJ^L SHRSCH[¶] :KDW^L DUH^L WKRXJKW^L DQG^L ZKDW^L GR^L \RX^L EHOLHYH^L VRXOG^L
EH^L UROH^L RI^L WKH^L FRWW^L RI^L (3\$V^L GHFLVLRQ^L PDNLQJ["]

358,77 L

, WKLN^L IWW^L YHU^L LPSRUWDQW^L LQ^L WKH^L UXCHPDNLQJ^L SURFH[¶] 6HODWRU[¶] \$QG^L WKH^L
6XSUHPH^L &RXUW^L DQG^L FRXUW^L KDYH^L UHFRJQL]HG^L WKDW^L YHU^L LPSRUWDQW^L IDFWRU[¶] , L
PHQNLQRQHG^L HDUOLHUL^L WKH^L FDW^L WKDW^L ZH^L ZH^L LQYROYHG^L LQ^L 2NODKRPD^L LQYROYLQJ^L
AKH^L 5HJLRODO^L +DJH^L 3URJUDP[¶]

7KDW^L ZDV^L DQ^L H[DPSCH^L ZKHUH^L 2NODKRPD^L DRWDOO\^L FRPSOLHG^L DQG^L PHW^L DQG^L
VDALVILHG^L WKH^L UHTXLUHPDQW^L XQGHU^L WKH^L ++ L XQGHU^L WKH^L WDWWH^L DQG^L WKH^L UXH^L EXW^L
AKH^L VHSV^L WKDW^L ZH^L WDHQ^L ZH^L GLVSODFHG^L E\ WKH^L (3\$[¶] L DQGLQJ^L KXQGHVG^L
RI^L PLOOLRQ^L RI^L FRWW^L ++ L GROODUV^L RI^L FRWW^L WR^L FRQMXPHUV^L LQ^L WKH^L JHQHUDWLQ^L RI^L
HCHWULFLW[¶]

\$QG^L VR[¶] L FRWW^L DUH^L YHU^L LPSRUWDQW^L DQG^L ZH^L QHG^L WR^L PDNH^L VXUH^L WKDW^L ++ L WKDW^L
AKH^L UH^L FRQVLGHUHG^L LQ^L FHJWDLQ^L DUHDV^L RI^L WKH^L WDWWH[¶] L DV^L, L LQGLFDWHG^L HDUOLHUL[¶]
AKH^L FDQW^L EH^L XQGHU^L 7LWH^L ¶ ± L WKH^L 1HW^L SURJUDP[¶] L %W^L ++ L EXW^L ++ L EXW^L LQ^L WKDW^L
FDW[¶] L WKDW^L \RX^L UHJUHQJ^L WR^L LV^L DQ^L REOLJDWLQ^L RI^L WKH^L (3\$^L WR^L DRWDOO\^L
HQJDJH^L LQ^L D^L FRWW^L EHQHILW^L DQDOLVLU^L DQG^L PDNH^L D^L UHFRUG^L EHIRUH^L LW^L PDGH^L IWW^L
GHFLVLRQ[¶]

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'R^L \RX^L WKLN^L WKDW^L WKH^L ODZV^L WKDW^L DUH^L RQ^L WKH^L ERRN^L ULJKW^L CRZ^L DCHTXDW[¶]

&4◀ FRP◀ 6HQDWHL (QYLURPHQW DQGL 3XEOLF ▶ :RUNV ▶ &RPPLWHL ▶ +ROGV ▶ +H 3DJH ¶ → ▶ RI ▶

KDQGCH ▶ WKLV ▶ VIWWDWLQ"

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, ▶ GR ▶ WKLQN ▶ ++ ▶ , ▶ GR ▶ ODUHO* ▶ 6HQDWRL ▶ , ▶ WKLQN ▶ IWW ▶ PRWNO ▶ DQL DSSOLFDWLRQ ▶ LWXH ▶
WKDW WKH ▶ DJHQF \ ▶ DQG ▶ WKH ▶ UHJXODWU ▶ GRLQJ ▶ IWW ▶ MRE ▶ XQGHU ▶ WKH ▶ VADWVH ▶ DV ▶
SURYLGHG ▶ E \ ▶ &RQJUHW\▶

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OP◀ KPP◀ ▶ 7KQDN ▶ \RX ▶ YHU \ ▶ PXFK\▶

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6HQDWRL ▶ :KWKRXVH\▶

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\$QG ▶ SUHXPDEO ▶ OUK ▶ 3UXLW\ ▶ LW ▶ JRV ▶ ZLWKRXW ▶ VD\LQJ ▶ WKDW ▶ L \ ▶ WKH ▶ (3\\$V ▶ JRLQJ ▶
AR ▶ FRQVLGHU ▶ FRW ▶ WR ▶ WKH ▶ LQGXWU \ ▶ RI ▶ FRQIRUPLQJ ▶ WR ▶ SROOXALRQ ▶ JXLGHOLCHM\ ▶ LW ▶
VKRXOG ▶ DOVR ▶ FRQVLGHU ▶ EHQHILW ▶ WR ▶ WKH ▶ SXEOLF ▶ IURP ▶ FOHDQHUL ▶ DLU\ ▶ FOHDQHUL ▶
ZDWHU ▶ DQG ▶ WKH ▶ UHMXOW ▶ RI ▶ WKDW ▶ FRPSOLDQFH\ ▶ ULJKW"

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,W ▶ VKRXOG\ ▶ ,W ▶ VKRXOG\ ▶ 6HQDWRL\▶

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6R ▶ ZH ▶ KDYH ▶ EHQ \ ▶ WDNLQJ ▶ DERXW ▶ IXQG ▶ UDLVLQJ ▶ GRQH ▶ E \ ▶ \RX ▶ IRU \ ▶ WKH ▶ 5XCH ▶ RI ▶
/DZ ▶ 'HIHQMH ▶)XQG ▶ GXULQJ ▶ WKH ▶ WLPH ▶ ZKHQ ▶ \RX ▶ ZHUH ▶ ERWK ▶ D \ ▶ ERUG ▶
PHPEHU ▶ DQG ▶ IRU \ ▶ DL ▶ IXOO \ ▶ \HDU\ ▶ WKH ▶ FKOLUPDQ ▶ RI \ ▶ WKH ▶ UXCH ▶ RI \ ▶ OZ \ ▶ GHIQMH ▶ IXQG ▶
DQG ▶ WKH ▶ IDFW ▶ WKDW ▶ ZH ▶ KDYH ▶ H[DWNO \ ▶]HUR \ ▶ LQIRUPDWLRQ ▶ LQ \ ▶ WKLV ▶ FRPPLWHL ▶
DERXW ▶ WKDW ▶ IXQG ▶ UDLVLQJ\▶

:H ▶ DOVR ▶ KDYH ▶]HUR \ ▶ ++ \ ▶ DQG ▶ CHW ▶ PH ▶ DVN ▶ XQDQLPRXV ▶ FRQHQW ▶ IRU \ ▶ WKH ▶ SDJH ▶
IURP \ ▶ ◀ ◀ ◀

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:WKRXW \ ▶ REHFWLRQ\▶

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&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L + 3DJH[¶] → L|R! LL

◀◀◀ L \RXUL TLOLQJ^L WKDW GLVFORVMH^L WKDW KH^L ZDV^L LQ^L IDFW^L D^L PHPEHUL RI^L WKH^L ERDUG^L RI^L GLUHFARUV^L DQG^L FKDLUPDQL RI^L WKH^L 5XCH^L RI^L /DZ^L 'HIHQML^L)XQG[¶] L :H^L DOVR^L KDYH^L D^L PHWLQJ^L DJHQGD^L TURPL WKH^L 5HSXEOLFDQL \$WRUCH[¶] L *HQHDOVL \$WRFLDALRQL GXULQJ^L D^L WLPH^L WKDW \RX^L ZHUH^L DQ^L H[HFXALYH^L FRPPLWHL^L PHPEHUL RI^L WKH^L \$WRUCH[¶] L *HQHDOVL \$WRFLDALRQL PHWLQJ^L DW^L WKH^L *UHQEUHUV[¶] L ZKLFK^L, L ZLOO^L WALSXODWH^L IRU^L P\ L TULHQG^L TURPL :HW^L 9LUJLQD[¶] L LV^L D^L CRYHD^L SODFH^L WR^L JR[¶] \$QG^L WKH^L DJHQGD^L ZKLFK^L, G^L OLNH^L WR^L WDNH^L WKLV^L SDJH^L RI^L DQG^L SXW^L LQAR^L WKH^L UHFRUG[¶] L PHQALRQL D^L SULYDWH^L PHWLQJ^L ZLWK^L OXUD[¶] L (QHJU\ L ,W^L PHQALRQL D^L SULYDWH^L PHWLQJ^L ZLWK^L 6RWAKHUQL &RPSDQ[¶] L ,W^L PHQALRQL D^L SULYDWH^L PHWLQJ^L ZLWK^L WKH^L \$PHULFDQL)XHD^L 3HWRFKPLFDO^L ODQXIDRWAHUHV[¶]

, L \RXOOL VKRZ^L WKH^L JUDSKLF[¶] L WKHM^L DUH^L DOD^L WKH^L VDPH^L JURXSV^L WKDW^L, YH^L BHQ^L DVNLQJ^L DERXW^L LQ^L WHUPV^L RI^L \RXUL IXQG^L UDLVQJ^L IRU^L WKH^L 5XCH^L RI^L /DZ^L 'HIHQML^L)XQG[¶] L DQG^L \RX^L NQRZ[¶] L WKHUHV^L OXUD[¶] L (QHJU\ L DQG^L WKHUHV^L 6RWAKHUQL &RPSDQ[¶] L DQG^L, P^L VXLH^L WKH^L \$PHULFDQL)XHD^L 3HWRFKPLFDO^L ODQXIDRWAHUHV^L UHSUHMHQW^L D^L CRW^L RI^L WKH^L RWKHUHV[¶]

\$V^L, L XQGHUWADQG^L LW^L ZH^L NQRZ^L CRAKLQJ[¶] L QR^L PLQWHV[¶] L QR^L WDNHPHQW[¶] L QR^L UHSRUAW^L DERXW^L ZKDW^L WRRN^L SODFH^L LQ^L WKRVH^L PHWLQJV^L WKDW^L DUH^L GHMFULEHG^L DV^L SULYDWH^L PHWLQJV^L RQ^L D^L VHHW^L WKDW^L LV^L WDPSHG[¶] L FRQILGHQALDO[¶] L &RUJHW^L :H^L NQRZ^L CRAKLQJ^L DERXW^L WKH^L FRQHQW^L RI^L WKRVH^L PHWLQJV[¶] L VR^L ▲▲▲

358,77 L

6HQDWL[¶] L, L GLGQW^L JHQHDOWH^L WKH^L GRFXPHQW[¶] L, L NQRZ^L CRAKLQJ^L DERXW^L WKH^L ++ L KRZ^L WKDW^L GRFXPHQW^L JRV^L JHQHDOHG^L RU^L ZKDW^L ▲▲▲

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\$UH^L \RX^L GHQLQJ^L WKDW^L WKRVH^L SULYDWH^L PHWLQJV^L WRRN^L SODFH["]

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1R[¶] L 6HQDWL[¶] L, L MXW^L GLGQW^L JHQHDOWH^L WKH^L GRFXPHQW[¶] L \$QG^L GRW^L NQRZ^L DERXW^L WKH^L FRQHQW^L RI^L WKHP[¶] L ZKLFK^L \RXYH^L UHSUHMHQW[¶]

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2.[¶] L DQG^L ZH^L GRW^L NQRZ^L DQG^L EHFDXW^L \RX^L ZHUH^L RQ^L WKH^L H[HFXALYH^L FRPPLWHL^L RI^L 5\$*\$[¶] L WKDW^L LQIRUPDALRQL WKDW^L ZH^L FRXOG^L JHW[¶] L 5LJKW^L, L PHDQ[¶] L LWW^L DYDLODECH^L L^L WKHUHV^L ZHUH^L PLQWHV^L RU^L UHSRUAW^L RXW^L RI^L WKRVH^L PHWLQJV[¶] L QRWHV^L WDNHQ[¶] L EXW^L ZH^L GRW^L KDYH^L WKHP[¶] L &RUJHW^L

KWS ↑↑ ZZZ FT FRP[†] GRF[†] FRQJUHWL RDOWDGMULSAW "¶" L SULQWVWUH ¶+!!

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPPLWH^L +ROGV^L +HE 3DJH[¶] → L RI

358,77 L

6HQDWU^L WKDW^L ZRXOG^L EH^L DL UHTXHVW^L PDGH^L WR^L WKH^L 5HSXEOLFDQL^L \$WRUGHV^L
*HQHUDO^L \$WRFLDWRQ^L, L PLJKW^L DGG^L WKH^L 5HSXEOLFDQL^L \$WRUGHV^L *HQHUDO^L
\$WRFLDWRQ^L WKHJHV^L DL 'HPRFLUDW^L \$WRUGHV^L *HQHUDO^L \$WRFLDWRQ^L DV^L ZHOO^L

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,P^L ++ L ,P^L CRW^L IDXOULQJ^L WKDW^L ◀◀

358,77 L

\$QG^L WKH\ L KDH^L WKH^L VDPH^L NLQG^L RI^L WKLQJ^L ◀◀◀

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,P^L WDNLQJ^L DERWW^L SULYDWH^L PHWLQJV^L WKDW^L ◀◀◀

358,77 L

6R^L WKHM^L PHWLQJV^L ++ L WKHM^L PHWLQJV^L WDNH^L SODFH^L DOO^L RI^L WKH^L WLPH^L ◀◀◀

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◀◀◀ L DW^L DL WLPH^L WKDW^L \RX^L ZHUH^L RQ^L WKH^L H[HFXWLYH^L FRPPLWH^L ZLWK^L VRPH^L RI^L WKH^L
UHDOOV^L L UHDOOV^L ELJ^L SROOXWUV^L ZLWK^L ZKRP^L \RXYH^L EHQL YHU^L FORMHO^L SROLWLFDOO^L
DWRFLDWHG^L

358,77 L

7KHJHV^L DL ++ L WKHJHV^L DL FRQIHHQFH^L, L PD\ L 6HQDWU^L RI^L :HWHLQV^L \$WRUGHV^L
*HQHUDO^L ◀◀◀

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, L NQRZ^L

358,77 L

◀◀◀ L WKDW^L JRHV^L E\ L WKH^L 1DWLRQDO^L \$WRFLDWRQ^L ◀◀◀

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7KH\ L WDN^L DERWW^L ZDWHU^L L 'ULYHV^L WKDW^L ZKDW^L WKH\ L ◀◀◀

&4 FRP[†] 6HQDWH^L (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L + 3DJH[¶] → L RI

358,77 L

\$QGL WKHL^L DUH^L PHWLQJV^L WKDW^L WDNL^L SODFH^L DW^L HDFK^L RI^L WKRVL^L HYHQW[¶] L DV^L ZHOO[¶]

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7KL UHW^L RI^L WKHL^L DMRUQH^L JHQHDOV^L DYRLG^L WKDW[¶] L VR^L ZH^L GROW^L ZDOW^L WR^L WDNL^L DERXW^L ZDWHU[¶] L /HW^L WDNL^L DERXW^L)2,\$[¶] L <RYH^L KDG^L DL FRQHMDNLRQ^L ZLWK^L WKHL^L &KOLUPDQL DERXW^L)2,\$[¶] L \$V^L , L XQCHUWQG^L LW[¶] L WKHL^L LV^L D^L)2,\$^L UHTXHW^L WR^L WKHL^L 2NODKRPDL \$MRUQH^L *HQHDOV^L RI ILFH[¶] L WR^L \RXU^L RI ILFH^L IRU^L HPDLOV^L EHWHQ^L \RXU^L RI ILFH^L DQG^L 'HYDQ^L (QH\ L DQG^L .RFK^L , QGXWULHV^L DQG^L \$PHULFDQV^L IRU^L 3URVSHULW[¶] L WKHL^L .RFK^L TURQW^L JURXS^L DQG^L OXUD\ L (QH\ L DQG^L WKHL^L \$PHULFDQ^L 3HWRQHXP^L ,QWLNWVH[¶]

\$QGL WKHL LQIRUPDWLRQ^L WKDW^L , L KDYH^L LV[¶] L LV^L WKDW[¶] L WKDW^L RSHQHG^L UHFRUGV^L DW^L UHTXHW^L ZDVL ILGHG^L PRUH^L WKDQ^L → + !! L GD\VL DJR[¶] L PRUH^L WKDQ^L WR^L \HDUV^L DJR[¶] L WKDW^L LQ^L UHSRQMH^L WR^L LW[¶] L \RXU^L RI ILFH^L KDV^L FRQFHGHL^L WKDW^L WKHL^L DUH^L + * !! !! L UHSRQMLYH^L GRFXPHQW[¶] L T * !! !! L HPDLOV^L DQG^L RAKHUL^L GRFXPHQW^L EHWHQ^L \RXU^L RI ILFH^L DQG^L WKHM^L FRPSDQLHV[¶]

\$QGL WKDW^L LQ^L → + !! L GD\VL H[DPMO\ L]HUR^L RI^L WKRVL^L GRFXPHQW^L KDYH^L EHQ^L SURGXFHG[¶] L , V^L WKDW^L DFFHSNDEOH^L WKUDURXQG^L RQ^L D^L)2,\$^L UHTXHW^L \$QGL VKRXOG^L ZH^L QRW^L EH^L FRQFHQHG^L WKDW^L \RXU^L RI ILFH^L LV^L QRW^L FRPSO\LQJ^L ZLWK^L WKHL^L)2,\$^L UHTXHW^L WKDW^L UHODAHV^L WR^L VSHFLILFDOD^L WR^L VR^L FDQ^L RI^L WKHM^L FRPSDQLHV^L WKDW^L DUH^L JRLQJ^L WR^L EH^L SHIRUH^L \RX^L DV^L (3\$^L DGPLQLWUDWRL^L L^L \RXU^L FRQILUPHG["]

358,77 L

6HQDWRU[¶] L ZH^L DRWDOO^L KDYH^L ++ L , L DRWDOO^L KDYH^L DL JHQHDO^L FRXQHDL^L DQG^L DQ^L DGPLQLWUDWRL^L LQ^L P\ L RI ILFH^L WKDW^L DUH^L GHGLFDWHL^L WR^L SHIRUPLQJ^L RU^L SURYGLQJ^L UHSRQMH^L WR^L RSHQ^L UHFRUGV^L UHTXHW^L ▲ ▲ ▲

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1RW^L YHU\ L GHGLFDWHL[¶] , L LW^L WDNL^L → + !! L GD\VL DQG^L LW^L WLQOOL^L]HUR[¶]

358,77 L

\$QGL ++ L ,PL QRW^L ++ L ,PL QRW^L LQYROMHG^L LQ^L WKDW^L SURFH[¶] L 7KDW^L LV^L KQGCHG^L LQGHSHQGHQD^L E\ L WKDW^L DGPLQLWUDWRL^L DQG^L WKDW^L JHQHDO^L FRXQHDL^L LQ^L UHSRQGLQJ[¶] L 6R^L , L FDQW^L VSHDN^L WR^L WKHL^L WLPHOLQH^L DQG^L ZK1^L LW^L WDNLQ^L WKDW^L CHQWK^L RI^L WLPH[¶]

&4◀ FRP↑6HQDWHL (QYLURQPHQW↑ DQG↑ 3XEOLF↑ :RUNV↑ &RPPLWHL↑ +ROGV↑ +3DJH↑ →↑ RI ↑

%W↑ ,↑ FDQ↑ WKDOL↑ \RX↑ WKDW↑ RXU↑ RI ILFH↑ ZRUNV↑ + +↑ ZH↑ DWADOO↑ JR↑ DFURWL WKL WWDWHL
RI ↑ 2NODKRPD↑ WKURXJK↑ + +↑ LQ↑ WUDLQLQJ↑ ZIWK↑ RI ILFLDOV↑ CRFDODO↑ LQ↑ FRPSOLDQFH↑
ZIWK↑)2,\$↑ DQG↑ RSHQ↑ UHFRUGV↑ ODZ↑ VR↑ ◀◀◀

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:HO\$↑ PD\BH↑ \RX↑ RXJKW WR↑ VHQL↑ RXU↑ SHRSCHL WR↑ RXU↑ RZQ↑ WUDLQLQJ↑
EHFDXMH↑ LW GRHMW VHP WR EH WLFLNLQJ YHU\ L ZHODK

358,77 L
,PL QRW VXUH↑ ZKDW WKL + + L WKL UHSUHMHQDWLRQ↑ \RX↑ PDGH↑ DERW WKL WLPHOLGH\$↑
,PL QRW + + L ,L GROW NQRZ↑ DQG↑ WKDW ◀◀◀

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*LYHQ↑ KRZ↑ PDQ↑ RI L WKKHMH↑ JURXSV↑ KDYH↑ LPSRUWDQW↑ ILQDQFLDO↑ LQWHUHWV↑
EHIRUH WKL (3\$↑ GR↑ \RX↑ QRW WKLQNL WKDW T \$!! !! L HPDLOV↑ EDRN↑ DQG↑ IRUWK↑
BWAHQ↑ \RX↑ DQG↑ RXU↑ RI ILFH↑ DQG↑ WKH↑ DUH↑ UHCHYDQW WR SRWHDOLDO FRQIOFW↑
RI L LQWHUHWV DV DQ DGPLQLWUDWRU↑ DQG VKRQOG EH EHIRUH XV DV ZH FRQVLGHU↑
AKLV"

358,7 L
\$JDLQ\$↑ ,L WKLQNL WKL (3\$↑ RI L WKLV FRXOMHO↑ KDV↑ ODLG↑ D YHU FODUL SURFHV↑ ZIWK↑
UHVSHFW WR FRYHUHG HQWLWLM\$↑ DV ZH CHMULEHG LW HDUOLHU DQG RQ SDUWLFXODU↑
FDWHUJ DQG VSHFLILFL FDMHM\$↑ ,L ZLOO IROORZ WKL DGYLFH RI L WKDW (3\$↑ FDUHUL
SHMRQ HFKLFV WR PDNH VXUH WKDW WKHUH DUH ◀◀

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<RX↑ NHIS↑ VD\LQJ↑ WKDW DQG ◀◀◀

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7KH 6HQDWUV WLPH KDV H[SLUHG

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:DQW PH WR ILQLVK P\ VHQLQFH"

&4 FRP 6HQDWL (QYLURPHQW DQG L 3XEOLF L :RUNV L &RPPLWHL +ROGV L + 3DJH P ← L!RI L

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3CHDMH L GR

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7KH L SUREOHP L ZLWK L WKDW L LV L WKDW L LI L \RX L KDYH QW GLVFORVHG L DQ\ L RI L WKLV L
LQIRUPDWLRQ L WKH Q L WKH L (3 L HAKLFV L FRXQWHD L ZRXOG L KDYH L QR L LGHD L WR L HYHQ L
ORRN L 7KH V L ZRXOG L KDYH L QR L LGHD L ZKDW L WKH L ULVNV L DUH L <\RX L FDQW VD\ L QRERG L
FDQ L ORRN L DW L ZKHQH L , L GLG L WKLV L EXW E V L WKH L ZD\ L WKH UH L JRLQJ L WR L ORRN L DW L LM L
,W MKW L GRHMQW DGG L XS L GRW\ L DERXW WKH L ++ L JRLQJ L RYHU L P\ L WLPHQ

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7KDN L \RX L 7KDN L \RX L GHQDARU L , L ZRXOG L OLNH L WR L SRQW RXW L ZH L KDG L DL UHSRUW L
FDUG L WKDW L ZDV L MKW EURXJKW XS L DQG L , G L OLNH L WR L LQWURGXFW L IRU L WKH L UHFRUG L DL
CHWHL L WR L ++ L IURP L HDPL RI L WKH L ILYH L PHPEHUV L RI L &RQJUHW L IURP L WKH L VWDWH L RI L
2NODKRPD L ZLWK L WKH L VWDWH L UHSRUW IRU L 6FRWW 3UXLW L LQ L VDVLQJ L | :H L DUH L
SURXG L RI L KLV L VHJYLPH L WR L RXU L VWDWH L DQG L DUH L YHU L FRQILGHQW WKDW KH L ZLOO L GR L DL
VXSHUE L MRE L VHJYLQJ L RXU L QDWRQ L DQG L RXU L FNLQHQL LQ L WKLV L QHZ L URCH L

\$OVR L DV L IROORZ L XS L IRU L WKH L ILUW L RXQG L RI L TXHMLRQ L WKH UH L ZDV L VRPH L
GLVSXWL DERXW D L ODZVXLW DJDLQW ODKDUG L (JJ L)DUL DQG L ZKR L LW ZDV L ILOH G L
EV L , L KDYH L KHUH L WKH L FRPSODLQW L Q L WKH L FDW L DQG L LW ZDV L ILOH G L OD\ P ← \ L + !! P P L
&DQ L \RX L UHDG L LW

,W VDVLQ L | \$Q L WKH L VWDWH L RI L 2NODKRPD L EV L DQG L WKURXJK L \$MRUGH V L *HCHUDO L
6FRWW 3UXLW L | L 6R L \RX L DUH L WKH L RQH L WKDW L ILOH G L WKH L VXLW DORQJ L ZLWK L WKH L
DMRUGH V L JHQHDO L RI L 7H[D L DJDLQW ODKDUG L (JJ L)DUL DQG L WKLV L ZLOO L EH L
VXEPLWHL IRU L WKH L UHFRUG L DV L ZHOO L GHQDARU L &DSLWR"

&\$3,72 L
7KDN L \RX L OUK L &KOLUPDQ L 6LQFH L WKH L 5DQNLQJ L OHPEHUL PHQWLRQHG L WKDW L
OUK L -RH L *RI IPDQ L KDG L YLVWHL L , L FDQOHG L WR L WKH L DMWQWLRQ L LQ L EHMHFKLQJ L \RX L
WKDW ZKHQ L \RXUH L VXXFHVIXOO L WKH L DGPLQLWUDARU L DW L WKH L (3\\$ L WKDW \RX L ZLOO L
OLWHQ L WR L HYHU\ERG L DQG L FRPH L WR L VWDWH L WKDW DUH L PRWW GLUHMW L DI IHRWHL
+H L PHQWLRQHG L WKDW WKH L DWRFLDWHG L DW L VWDQW DGPLQLWUDARU L KDG L PDGH L WKH L
ORQJ L OLWW WKDW KH L KDG L VDLQ L %XW L , L ZRXOG L OLNH L WR L SRQW RXW PODUL I LFDWLRQ L 7KH L
(3\\$ L DQQRXQFHG L RQ L 6HSWPHU L T !! \ L DL GD\ L , OOL UHPHPEHUL EHFDXVH L WKDW L
WKH L ELWNGD V L RI L P\ L \RXQJHMW FKLOG L DQG L WKH L DQQRXQFHG L ZKHUH L WKH L ZHUH L
JRLQJ L IRU L WKH L OLWHQ L VHWLRQ

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPPLWTH^L +ROGV^L + 3DJH[¶] ← LQRI^L

7KH^L ZHQW^L WR^L %RWRQ[¶] L 7KH^L ZHQW^L WR^L 1HZ^L <RUN^L &LM[¶] L 7KH^L ZHQW^L WR^L
3KLODGHOSKLD[¶] L 7KH^L ZHQW^L \$MDDQD[¶] L 7KH^L ZHQW^L WR^L 'HQYHU[¶] L 7KH^L ZHQW^L WR^L
/HQH[D[¶] L .DQMDV[¶] L DQG^L , L ZLVK^L RXUL^L .DQMDVL 6HQDWRL ZDV^L KHUH[¶] L ZKLFK^L ,YH^L
ORRNHG^L XS^L DV^L DL SDWW^L RI^L WKH^L .DQMDVL &LM^L PHWURSROLWDQ^L DUHD[¶] L 7KH^L ZHQW^L WR^L
6DQ^L)UDQFLVFR[¶] L 7KH^L ZHQW^L WR^L :DMKLQJWRQ^L '¶ &¶ L 7KH^L ZHQW^L WR^L 'DOODVL DQG^L
AKH^L ZHQW^L WR^L 6HDWQH[¶] L WKH^L ZHQW^L WR^L &KLFDJR[¶]

:K^L WWDWHV^L LQ^L WKH^L ODWW^L ILYH^L \HDU^L KDV^L ORWW[¶] ¶ !! ¶ !! !! L MREV[¶] L GRW^L ZKROO\^L
EHFDXMH^L RI^L WKLV^L EXW^L VRPH^L RI^L WKLV^L KDV^L + + L SODIV^L DL ODWH^L SDWW[¶] L \$Q^L VR^L ,OO^L JR^L
EDN^L WR^L P^L RULJLODO^L UHTXHMW^L WKDW^L WKH^L SHRSCH^L WKDW^L DUH^L DI IHRWHL E\ L WKLV^L
HQYLURQPHQWDOO\^L DQG^L KHDWK^L ZLVH^L DUH^L MW^L DV^L + + L DUH^L MW^L DV^L LPSRUJDQW^L DV^L
AKH^L SHRSCH^L ZKR^L WWDQ^L WR^L ORW^L WKH^L L MREV^L RYHU^L WKLV[¶]

:KR^L WKHQ^L DUH^L SOXQJHG^L LQWR^L SRYHJM[¶] L :KR^L WKHQ^L KOYH^L DL KRSHCHWCHW^L
DURXQG^L DQG^L LQ^L WKH^L L FRPPXQLWLHV[¶] L :KR^L WKHQ^L EHFRPH^L DGGFWHG^L WR^L GUJV^L
DQG^L RAKHUL RSLRLGV^{"L} , L PHDQ[¶] L LWL MW^L DL FDVFGLQJ^L LWXHV[¶] L 7KH^L OLYHV^L DUH^L
VXWW^L DV^L LPSRUJDQW[¶] L 6R^L WKDW^L P^L + + L WKDW^L P^L SCHD^L RQ^L WKDW[¶]

1RZ[¶] L ODWW^L TXHMLRQ^L IURPL PH[¶]

&\$53(5 L

OU[¶] L &KDLUPDQ[¶] L FRXQG^L , L DW^L XQDQLPRXV^L FRQH^L UHTXHMW[¶] L , I^L , L + + L VRWW^L IRU^L
LQWHLUXSWLQJ[¶] L %XW^L WKH^L GRFH^L ZLWK^L UHSHFW^L WR^L WKH^L RXWHDWK^L WKDW^L WKH^L (3\$^L
GLG^L LQ^L FRQMQWLRQ^L ZLWK^L WKH^L &HDQ^L 3RZHU^L 3DQ[¶] L VKRZV^L IURPL 2FREHU^L + + L , L
AKLON^L 2FREHU^L ¶ ! * L + ! ! L VRPHWKLQJ^L OLNH^L WKLV^L ¶ ¶ ¶

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, L ZDV^L WKH^L WKURXJK^L WKH^L OLWHLQJ^L VHWLRQ[¶]

&\$53(5 L

7KH^L GRFH^L UHTXLUHV^L QHDUO\^L ¶ !! !! L PHWHLQJV[¶] L FDOOM[¶] L SUHMHQDWLRQ[¶] L
FRQIHUHQFH[¶] L FRQXODWLRQ[¶] L ¶ !! !! L LQ^L RAKHUL RXWHDWK^L ZLWK^L WDNHKOCHUV[¶] L
7KH^L GRFH^L VKRZV^L WKLV^L SRW^L SURSRVDO^L LQHUDFWLRQ^L FRQFOXGH^L PRUH^L WKDQ^L
T !! !! L PHWHLQJV^L ZLWK^L WDNHKOCHUV^L ZKR^L KDG^L T !! L GLVFXWLQV^L
ZLWK^L SURGXFW[¶]

)RXUL KQGQH^L DQG^L ILM^L PHWHLQJV^L ZLWK^L LQGXWNU^L WDNHKOCHUV[¶] L ¶ ↑ !! L
GLVFXWLQV^L ZLWK^L HQYLURQPHQWDO^L + + L HQYLURQPHQWDO^L MWLFLH^L DQG^L VFLHQWLFL^L
WDNHKOCHUV[¶] L GRJH^L RI^L PRUH^L GLVFXWLQV^L ZLWK^L FRQH^L DQG^L WKLV^L JRHV^L
RQ^L DQG^L RQ^L DQG^L RQ[¶]

KWS ↑ ↑ ZZZ FT FRP[†] GRF[†] FRQJUHWLQDWLRQ[¶] DQG^L FULSAW "¶ + SULQWLUWH ¶ + !!

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLW^L +ROGV^L + 3DJH[¶] ← RI

7KH^L ++ L LQ^L WRADOLW^L WKH^L DJHDF\^L UHFHLYHG^L DOPRW^L + ◀ T L PLOORQ^L FRPPHQW^L DERXW^L DOD^L DVSHFW^L RI^L WKH^L SURSRVH^L UXCH[¶] L PRUH^L WKDQL DQ^L UXCH^L LQ^L (3\$^L KLVWU[¶] L DQG^L AKRXMDQG^L RI^L SHRSCH^L SDUWLFLSDW^L LQ^L WKH^L DJHDF\^L SXEOLF^L KHULQJV[¶] L
:HEODU[¶] L OLW^L QLQJ^L VHWLRQV^L DQG^L VR^L IRUW[¶] L DOD^L DFURW^L WKH^L FRXQWU[¶] L 7KH^L
DJHDF\^L FDGH^L FDQ^L UHYLVRQV^L LQ^L WKH^L ILODO^L UXCH^L DQG^L LQ^L UHVSQW^L WR^L WKRVH^L
FRPPHQW[¶] L 7KDN^L \RX[¶]

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6HQDWRU[¶] L WKH^L ,GL DVN^L WKDW^L WKH^L ++ L RQFH^L D^L TXHVALRQH^L VWDW[¶] L WKH^L EH^L
DOORZHG^L WR^L FRQNLQXH^L EHFDXVH^L ZH^L FRXOG^L JHW^L LQAR^L D^L CHQWK^L GLVFXWLRQ[¶] L 7KH^L
(3\$^L ZDV^L IRXQG^L JXLQH^L RI^L FRYHUW^L SURSDUDQG^L IRU^L VROLFIW^L LQIRUPDWLRQ^L
AKURXJK^L D^L QXPEHUL^L RI^L HQYLURQPHQWDO^L JURXSV[¶]

,W^L ZDV^L D^L ++ L FRQNLQXHV^L WR^L EH^L D^L ECRW^L RQ^L WKH^L UHFRUG^L RI^L WKH^L (3\$^L DQG^L D^L
TXHVALRQ^L RI^L WKLV^L ++ L WKH^L HQALUH^L \$GPLQLWLDWLRQ^L DQG^L WKH^L L DSSURDFK^L WRZDUG^L
DELOLW^L RI^L WKH^L ++ L IRU^L WKH^L UXCH^L RI^L ODZ^L YHUVXV^L DQG^L (3\$^L RXW^L RI^L FRQNLQH[¶] L 6R[¶] L
ZH^L JRLQJ^L WR^L DOORZ^L WKH^L TXHVALRQH^L WR^L FRQNLQXH[¶] L \$QG^L , L UHYHUW^L EDN^L WR^L \RX[¶] L
6HQDWRU^L &DSLW[¶]

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7KDN^L \RX[¶] L CRW^L WR^L EH^L D^L GHDL^L KRUMH[¶] L EXW^L WR^L WU[¶] L ,OO^L VD^L WKDW^L WKH^L \$WLWWDQW^L
\$GPLQLWLDWLRU^L OF.D[¶] L ZKH^L VKH^L ZDV^L WHOLQJ^L PH^L WKDW^L WKH^L RQ^L RQH^L WR^L JR^L
ZKH^L SODFH^L ZH^L FRPIRUWDEOH[¶] L VKH^L ORRNHG^L DW^L PH^L DQG^L VDLG[¶] L | 6HQDWRU[¶] L
ZH^L JRLQJ^L LQAR^L 3LWWEXWJK[¶] |

*HH[¶] L WKDN^L D^L CRW^L ,Q^L DQ^L HMQW[¶] L ZKLFK^L LV^L CRW^L LQ^L :HWW^L 9LULQD[¶] L ,OO^L PDNH^L
AKDW^L SRLQW[¶] L P^L TXHVALRQ^L LV[¶] L \RXYH^L VDLG^L D^L CRW^L DERXW^L VWDW[¶] L DQG^L , L DJUH[¶] L
7KH^L VWDW^L VRXOG^L KDYH^L WKH^L SULPDF[¶] L LWW^L LQ^L WKH^L ODZ[¶] L DQG^L WKDW^L VRPHWKLQJ^L
AKDW^L SDUW^L RI^L ZK^L \RX^L EURXJKW^L VXW[¶] L DQG^L SDUW^L RI^L WKH^L UHDVRQ^L \RXYH^L EH^L QL^L
VXFRMIXOL^L ZLWK^L RAKHUL^L \$MRUQH^L *HQHUDO[¶]

/HW^L PH^L DVN^L \RX^L D^L TXHVALRQ[¶] L CHAW^L VD^L \RX^L KOMH^L D^L VWDW^L ZKH^L \RXUH^L WKH^L
DGPLQLWLDWLRU^L RI^L WKH^L (3\$^L DQG^L \RX^L GH^L WKDW^L VWDW^L 211LFH^L RI^L
(QYLURQPHQWDO^L 4XOOLW^L RUL[¶] (3\$^L ZKLFK^L LV^L ZKDW^L LW^L LV^L LQ^L :HWW^L 9LULQD[¶] L MXW^L
GRHMW^L PHDXUH^L XS[¶] L 7KHUH^L CRW^L SURMHFWLQJ^L WKH^L L SHRSCH^L KHDK[¶] L
7KHUH^L CRW^L HQIRUFLQJ^L WKH^L ODZ[¶]

&4 FRP 6HQDWL (QYLURPHQW DQG L 3XEOLF L :RUNV L &RPLWHL +ROGV L + 3DJH "I ← RI

7KH L DUH L LQ L \RXU L MGJPHQW L DQG L IRONV L WKD L \RXU L ZRUNLQJ L ZLWK L DUH L GRW L
XS L WR L WKH L WDN L DQG L DUH L CHWLQJ L WKH L SHRSCH L GRZQ L :KOW D YHQXHV L RI L
FRWHWLRQ L ZRXOG L \RX L KDYH L DW L WKH L (3\$ L GR L \RX L KDYH L DQG L ZKOW L ZRXOG L
\RX L H[HUFLVH L LQ L WKD L NLGG L RI L FDWHRUV " L \$QG L ZKOW L NLGG L RI L MGJPHQW L ZRXOG L
KDYH L WR L EH L PDGH L IRU L WKRVH L WKLQJ L WR L RFFXU"

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6HQDWL (L , L UHDOD L DSSUHFLDWL WKH L TXHMLRQ L %HDXVH L , L WKLQNL WKH L DUH L
ALPH L ZKHUH L WDNH L DUH L QDGLEOH L <\RX L NQRZ L WKD L WKH L GRW L SHURUP L
AKH L REOLJDALRQ L WKD L WKH L KDYH L CHWL VD L XQHUL WKH L &HDQL \$LU L \$FW L LQ L
DGRSWLQJ L WDNH L LPSCHPHQWDLRQ L SODQ L 2U L DV L WKH L DGRSW L WKH L WDNH L
LPSCHPHQWDLRQ L SODQ L WKH L GRW L WDNH L LQAR L FRQVLGHUDALRQ L DOD L WKH L IDWRLV L
AKOW &RQJUHW L KDYH L SXW L LQ L WKH L WDNH L DQG L WKH L (3\$ L UHTXLUHV

, Q L WKRVH L LQWDQFH L IWW L YHU L DSSURSULDWL IRU L WKH L (3\$ L WR L XVL IWW L DXAKRULW L
OLNH L DL IHGHUDOL L LPSCHPHQWDLRQ L SODQ L WR L WDNH L RYHU L WKD L MXULVGLFALRQ L DQG L WR L
LQWLH L WKD L WKH L VDIHM L DQG L KHDKW L RI L RWL]HQV L LV L SURWHRWQ L DQG L DLUL
TXDOLW L LV L PDLQNDLQHG L DQG L ZDNH L TXDOLW L LV L PDLQNDLQHG L 6R L WKH L LV L DL WLPH L
DQG L SODPH L IRU L WKD

, L WKLQNL LQ L PDQ L LQWDQFH L KRZHYHU L WKH L CDW L VHYHDO L \HDU L IWW L EHQL WKH L
IWW L UHSRQH L DV L RSSRVH L WR L \RX L NQRZ L FRRSHUDALRQ L DQG L DL IHGHUDOL
LPSCHPHQWDLRQ L SODQ L LV L DEVROXWD L LQ L RUGH L DW L WLPH L %\$5\$662 L
6HQDWL OHNUH L 0(5./(< L OU L &KOLUPDQ L EHRIHU L \RX L WDNH L P L FORN L
, G L OLNH L WR L IROORZ L XS L RQ L 6HQDWL , QKRIHV L WDNH L KHUH L RI L VXEPLW LQJ L
FHJWDLQ L IDFW L EDNL IRU L WKH L UHFRUG L \$QG L , G L DM L XQDQLPRXV L FRQHQ W L
VXEPLW L IRU L WKH L UHFRUG L DQ L DJWLFH L IURP L WKH L 8QLRQ L RI L &RQFHUHG L 6FLHQWLWW L
UHODWGL WR L WKH L VR FDOOHGL &OLPDW L *DW L 7KOW L WKH L 6HQDWL UHIIUHG L WR L
HDOLHU

\$QG L WKD L GRAHV L WKD L WKH L PDQ IDFWLHG L FRQWRYHUV L RYHU L HDLOV L WRCQ L
IURP L WKH L 8QLYHUVW L KDV L JHQHLDWGL D L GRW L RI L KHDW L EXW L GRW L OLJKW L (PDLO L
FRQHQ W L EHLQJ L TXRWH L GRW L GRW L LQGLFDW L FOLPDW L CDWL UHMDFK L KDV L EHQL
FRPSURPLVHG

ORW L LPSRUWDQW L QRAKLQJ L LQ L WKH L FRQHQ W L RI L WKH M L WRCQ L HDLOV L KDV L DQ L
LPSDFW L RQ L RXU L RYHDOO L XQGHUW DQGLQJ L RI L KXPDQ L DPWLYWLHV L GULYLGQ L
GDQJHLRXV L CHYHDL RI L JOREDO L ZDPLQJ L OHGLD L UHSRUW L DQG L FRQWUDU L FODLPV L
AKOW L WKH L GR L DU L LQFFXUDW L 6R L , L VXEPLW L WKD L ++

&4 FRP[†] 6HQDWH^L (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLW^H^L +ROGV^L + 3DJH[¶] ← 4RI^L

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++ L IRU^L WKH^L UHFRUG[¶] L 7KDN^L \RX[¶] L ,GL DOVR^L OLNH^L ++

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7KLV^L &KDLUPDQ[¶] L VLOFH^L P\ L QDPH^L LV^L LQYROYHG[¶] L CHW^L PH^L UHVSROG[¶] L :HUH^L \RX^L
OLWHQLQJ^L ZKHQ^L, L WDNHG^L DERXW^L WKH^L YDULRXV^L SXEOLFDWLRQV^L WKDW^L KDYH^L FRPH^L
RW^L DQG^L WDNHG^L DERXW^L KRZ^L IUDGXCHQW^L LW^L ZDV[¶] L WKHM^L DUH^L SXEOLFDWLRQV[¶] L
VFLHQFH^L SXEOLFDWLRQV[¶] L KDYH^L JRQH^L LQ[¶] L PDGH^L WKH^L RZQ^L HYDOXDWLRQV[¶] L DQG^L IRU^L
WKH^L 8[¶] .[¶] L 7HCHUDSK^L WR^L VD^L LW^L WKH^L ZRUWW^L VFLHQWLFLF^L VFDQGDO^L IRU^L RXU^L
JHQHUDALRQ[¶] L WKH^L WKDW^L SUHWW^L HMLHPRH["]

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0\ L FROHDJXH[¶] L ZH^L FRXOG^L KDYH^L DQ^L HQWLUH^L GD\ L GHGLFDW^HG^L WR^L WKH^L UHLYHZ^L RI^L
WKH^L VFLHQWLFLF^L OLWHUDWLUH^L RQ^L WKLV[¶] L DQG^L, L ++ L LW^L ZRQH^L ZHLJK^L YHU\ L KHDYLO^L RQ^L WKH^L
VFDQH^L LQ^L WKH^L GLUHWLRQ^L, YH^L LQGLFDW^HG[¶] L LQ^L VXSSRUW^L RI^L WKH^L LQIRUPDWLRQ^L
SUHMHQHG^L E\ L WKH^L 8QLRQ^L RI^L &RQFHUGHG^L 6FLHQWLWW[¶] L :H^L FD\ L MXWW^L KDYH^L WR^L
DJUH^L WR^L GLVDJUH[¶] L 7KDW^L ZK\ L, L VXEPLW^HG^L LW^L IRU^L WKH^L UHFRUG[¶] L :HOOL CHW^L WKH^L
SXEOLF^L GHFLGH[¶]

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7KDW^L ZK\ L WKH^L WDNHPRH^L LV^L UHSHDW^HG^L RYHU^L DQG^L RYHU^L DJDLQ^L DERXW^L WKH^L
VFLHQFH^L LV^L VHWCHG[¶] L LV^L QRW^L DQ^L DFFXUDW^HL WDNHPRH[¶]

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,GL LQYLWH^L WKH^L 6HQDWRU^L WR^L TXHWLRQ^L WKH^L ZLWQHW[¶]

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7KH^L EHDXW^L RI^L WKH^L 6HQDWH[¶] L LV^L ZH^L JHW^L WR^L KDYH^L RXU^L RZQ^L RSLQLRQ[¶] L
OHQZKLCH[¶] L ,GL DOVR^L OLNH^L WR^L VXEPLW^L IRU^L WKH^L UHFRUG^L LQ^L UHVSROH^L WR^L ZKHQ^L, L
ZDV^L VSHDNLQJ^L DERXW^L DWKPDQ[¶] L OU[¶] L &KDLUPDQ[¶] L \RX^L CRW^HG^L D^L WKG^L TURP^L WKH^L
IDALRGDO^L %ODFN^L &KOPFHU^L RI^L &RPPHUFH[¶]

&4 FRP 6HQDWL (QYLURQPHQW DQGL 3XEOLF L :RUNV L &RPLWHL +ROGV L + 3DJH "I L RI

\$QGL IAWL LPSRUWDQW WRL CRWH L WKDW L RUJDQL]DALRQL KDV L EHQL IXQHGL E\ L WKHL
\$PHULFDQL 3HWLRCHPL ,QWLWWHL E\ L DL .RFK L %URWKHU L IURQW JURXS L DQGL E\ L
([RQI L \$QGL WKDW WKHUH L LVL DL VHULHV L RI L UHMSRQMV L WKDW L QYRNH L WKHL RSSRVVWH L
VLGH L RI L WKDW DQGL WKHL 1\$&3 ZKLFK L PHUWDLQO VSHDNV L IRU L DL EURDGL VZDAKH L
RI L \$IULFDQL \$PHULFDQMV L WDNHV L DL YHUV L YHUV L GLI THUHQW WADQFH L DQGL IW L KDV L
HQGRUMHG L WKHL &CHDQL ++

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:WKRXW REMHWLRQ

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7KQNL \RX L ,GL DOVR L OLNH L WR L VXEPLW L IRU L WKHL UHFRUG L WRL DUALFCHV L ++ L RU L WRL
WADWPHQW L IURP L WKHL 1DALRQDO L &RQJUHW L RI L \$PHULFDQL ,QGLDQMV L DQGL IURP L
/DALQR L RUJDQL]DALRQV L ++ L DL ZKROL JURXS L RI L /DALQR L 2WDLQ]DALRQMV L WKDW DUH L
YHUV L FRQFHQHG L DERXW WKLV L QRPLQDWLRQ

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:WKRXW REMHWLRQ

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7KQNL \RX L YHUV L PFK L OUN L &KOLUPDQ L \$QGL WKHL ,GL OLNH L WR L WKLQ L WR L DL
TXHMLRQ L WKDW KDV L SX]]OHGL PH L RYHU L WLPH L DQGL IAWL LQ L WKHL FRQWHW L RI L KRZ L
RQH L HYDOXDW L KRZ L RQH L YLHZV L WKHL ZRUOG

\$QGL , L KHDUG L RQH L RI L P\ L FROHDJXHV L RQH L SUHMHQW L WKLV L ZD\ L L I L \RX L JR L WR L DL
GRWRU L DQGL WKHL VD\ L \RX L KOYH L FDQFHU L \RX L GHFLGHG L \RX L EHWWHU L JHW L DL
VHFQG L RSLQLRQ L DQGL WKHL \RX L JR L WR L "!! L GRWRU L DQGL → L RI L WKHL VD\ L \RX L
KOYH L FDQFHU L DQGL \RX L EHWWHU L DWA L PRW L SHRSCH L IHO L OLNH L KPPM L → L
GRWRU L WROG L PH L , L VKRXOG L DWA

7KUHL WROG L PH L , L VKRXOG L JR L WDNH L VRPH L KHDOWKFDUH L VXSSCHPHQW L OD\EH L , L
EHWWHU L KOYH L WKHL RSHUDWLRQ L \$QGL WKDW L UHDOO\ L WKHL SODFH L ZKHUH L ZH L DUH L LQ L
FOLPDW L VFLHQFH L ORZ L ZKHUH L WKHL RYHUZKHOPLOQ L ZHLJKW L RI L WKHL VFLHQWLILF L
FRPPXQW L ZHLJKW L LQ L DQGL VD\ L | <HM L IAWL YHUV L ORJLFDO | L <RX L FDQ L GR L IW L LQ L DL
ODERUDWU\ L DV L 6HQDWU L :KWLWKRXW L CRWHG L WKDW FDUERQ L GLR[LGH L WUDSV L
KHDW

KWS ↑↑ ZZZ FT FRP GRF FRQJUHWLRQDO WDLQWULSAW "I" L SULQWVWUH "I" L !!

&4 FRP 6HQDWL (QYLURQPHQW DQGL 3XEOLF :RUNV &RPPHWLH +ROGV + 3DJH ¶ ← RI

<RX FDQL GR L W L Q L D L ODERUDWU L WKDW PHWDQH L WUDSV L KHDW L <RX FDQL WUDFN L WH L
FKDQJH L Q L WH L HQYLURQPHQW RI L WH L FRQH QWUDWLRLQ L RI L WKRWH L JDWHW L <RX
FDQL VHL WH L PSDFW RQ L WH L JURXQG L QRZ L O L KRPH L WWDWH L RX L KDYH L DQ L
LPSDFW RQ L WH L RI WWDWH L EHFDXVL WH L 3DFL LFL 2FHDQ L LV L T !! L SHUFHQW PRUH L
DFLGLF L WKDQ L W L ZDV L EHIRUH L ZH L WWDWH L EXUQLQJ L FRDQ

7KDW LVL DL VFDU L WKLQJ L ZKHQ L VKHOOLVK L KDYH L WURXEH L IRUPLQJ L VKHOOV L ,W KDV L
DQ L HFRQRPLF L PSDFW L 2XUL SLQH L EHFDXVL DUH L WKULYQ L EHFDXVL WH L ZLQHUV L
QRW FROG L HQRXJK L WR L NLOO L WKH P L DQG L VR L W L KGYLQJ L DL KXJH L PSDFW RQ L RXUL
IRUHW L 7KDW L DQ L HFRQRPLF L PSDFW RQ L UXUDO \$PHULFD L 7KH L VRXWKHUQ L SDUW
RI L P L WWDWH L KDV L KDG L WKH L ZRUW HYHU L QRXJKW L LQ L WH L CDW L ¶ ↑ L VHUV

,W LVL DL KXJH L PSDFW RQ L DJULFXOWUH L FRPPXQW L 7KH L WWDHPV L LQ L 2UHJRQ L
FRPLQJ L IURP L WH L VCRZ L SDFN W L KDYH L EHLQ L GHFOLQLQJ L LQ L VL JH L DQG L UDLVLQJ L LQ L
AHPSHUDWUH L ++ L YHU L EDGL IRU L WURXW L YHU L EDGL IRU L VDOPRQ L ++ L WKDW L DQ L PSDFW
RQ L RXUL ILVKLQJ L FRPPXQW L

6R L WH L JOREDO L ZDPLQJ L WKDW L V L WDNLQJ L SODFH L DQG L EHLQJ L GULYHQ L E L WH L
EXUQLQJ L RI L IRWLO L IXHOV L V L KGYLQJ L DL KXJH L HFRQRPLF L PSDFW RQ L WH L FLWLJHQV L
RI L P L WWDWH L O L UXUDO L FLWLJHQV L O L FLWLJHQV L ZKR L GHSHQG L RQ L WLPEHU P L ZKR L
GHSHQG L RQ L ILVKLQJ P L ZKR L GHSHQG L RQ L IDPLQJ L 6KRXOG L WH L FLWLJHQV L VHN L WR L
DGGUHW L WKLV L SURECHP %HFDXVL ZHU L MXW RQ L WH L IURQW HQG L RI L WKLV L
KDSSHQGLQJ

7HQ L VHUV L DJR L ZH L ZHU L WDNLQJ L DERXW PRGHQV L WKDW CHG L WR L WH L
FRQHMUDWLRLQ L 6HQDWU L ,QRIHL KDG L DERXW &OLPDWH L *DWH L DERXW SUHWLQJ L
ZLWK L DWWPSALRQV L DQG L PRGHQW P L ZH L GROW GHG L PRGHQV L QRZ L :H L KDYH L
IDFW L RQ L WH L JURXQG L 7KH L PRRVH L DUH L G LQJ L EHFDXVL WH L WLFNV L DUQW EHLQJ L
NLOOHG L E L WH L ZLQHUV L EHLQJ L FROG L HQRXJK

7KH L ILVK L DUH L PLJUDWLQJ L RQ L WH L \$WDDQWLFL FRDW L DQG L ODLCHV L CRVLQJ L W L
CREWVHV L WR L &DQG D L 7KMH L IDFW L RQ L WH L JURXQG L DUH L HWDUGLQDULOV L UHDQ P L
AHH L KDYH L DL KXJH L HFRQRPLF L PSDFW L \$QG L VCRXQGW ZH L WDNH L DL YHU L
VHULRXV L DSSURDFK L WR L WH L XUJHQF L RI L WKLV L SURECHP L DV L ZH L VHL L W
GHMFIQGLQJ L XSRQ L XV

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6HQDWU L , L WKLQJ L WH L (3\$ L DQG L L L FRQILUPHG L DV L WH L \$GPLQLWUDWU P L WH L WH L
FXUWHQNO L DQG L REOLJDWLRLQ L WR L GHDO L ZLWK L WH L LWXH L 7KH L ODWDFKXHWW L
9(3\$ L FDMH L VD V L WKDW &2 L LV L DL SROOXWDQW XQGHU L WH L &CHDQ L \$LU L \$FW P L DQG L DV L
VXFK P L WKDW L ZKDW JHQHWDHG L WH L !! !! L (QEDQJHUPHQW)LQGLQJ

KWS ↑ ↑ ZZZ FT FRP GRF FRQJUHWL RDOWDQWULS "¶ ↑ SULQWVWUH ¶ + !!

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L +3DJH[¶] ←LR^I LL

6R[¶] L , L WKLQN^L WKH^L LV^L D^L CHJDO^L REOLJDALRQ^L SUHMHQD^V L IRU^L WKH^L (3\$ L \$GPLQLWLDWRU^L
AR^L UHVSROG^L WR^L WKH^L &2^L L LWXH^L WKURXJK^L SURSHU^L UHJXODALRQ[¶]

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, L EHOLHYH^L \RXUH^L DFNCRZOHGJLQJ^L WKDW^V L ZKLFK^L ,P^L JODG^L WR^L KHDU^V L WKDW^L LW^L LV^L D^L
VHULRXV^L SURECHP^L DQG^L WKDW^L WKH^L (3\$ L WKDW^L FDUEQ^L GLR[LGH^L LV^L D^L SROOXWDQW^V L
DQG^L ZH^L KOYH^L D^L CHJDO^L REOLJDALRQ^L WR^L WDNH^L LW^L RQ[¶]

358,77 L
, L WKLQN^L ODWDFKXVHWW^L 9(3\$ L VD\ L WKDW^V L FRXQWHU[†] EDDQFHG^L E\ L WKH^L 85^L
GHFLVLRQ^L WKDW^L FDPH^L RXW^L D^L IHZ^L \HDUV^L ODWHU^V L WKDW^L \RX^L FDQW^L WUDQVIRUP^L D^L
WADAWH^L DV^L WKH^L (3\$ L VRXJKW^L WR^L GR^L ZLWK^L WKH^L 36^L SURJUDP[¶] L 6R[¶] L , L WKLQN^L WKH^L
FRXUW^L KDV^L VSRNHQ^L HPSKDWLFDO[\] L DERWW^L WKLV^L LWXH^V L DQG^L WKH^L (3\$ L KDV^L D^L CHJDO^L
REOLJDALRQ^L WR^L UHVSROG[¶]

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\$QG^L DV^L \RX^L NLQG^L RI^L UDQ^L WKH^L XUHQF\ L ZLWK^L ZKLFK^L \RX^L EULQJ^L WR^L WKLV^V L GR^L \RX^L
VHH^L LW^L DV^L VRPHWKLQJ^L \RX^L ZDH^L XS^L HYHU^L GD\ L ++ L WKH^L GHW^L JHCHUDALRQ^L ZLOO^L
ZHLJK^L ZKHQH^L RU^L QRW^L ZH^L DRWHL^L SURPSW^V L RU^L LV^L LW^L PRUH^V L , L KOYH^L D^L CHJDO^L
REOLJDALRQ^L EHFDXVH^L RI^L WKLV^L FRXUW^L GHFLVLRQ^V L VR^L ,OO^L KOYH^L WR^L KOYH^L VRPH^L IRONV^L
SD\ L VRPH^L DWKHQWLQ^L WR^L LW^L

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, L WKLQN^L WKH^L LPSRUWDQFH^V L GHQDWLRQ^V L IWW^L YHUV^L GLI\ LFXQW^L WR^L SULRUWLJH^V L \RX^L NQRZ^V L
6HQDWLRQ^L -LOO^L /HUVWDQV^L ♂ SK[□] L QRW^L KHUH^V L EXW^L ZKHQ^L VKH^L WDQH^L WR^L PH^L DERWW^L
♂ LQDXGLEOH[□] L DQG^L WKH^L WKUDW^L WKDW^L VKH^L IDFLQJ^L LQ^L 1HZ^L <RUN^V L LV^L WKDW^L DQ\ L CHW^L
LPSRUWDQW^L WKDW^L WKH^L &2^L L LWXH["]

,WW^L QRW^L \$QG^L VR[¶] L WKH^L (3\$ L GHDO^L ZLWK^L YHUV^L ZHLJKW^L LWXH^V L DV^L \RX^L NQRZ^V L
ZDWHU^L DQG^L DLUL^L TXDOLW^V L IWW^L D^L FDWHL^L RI^L SULRUWLJQ^L WKH^L UHMRXUFHV^L WR^L DFKLHYH^L
EHWWHU^L RXWFRPHV^L LQ^L HDFK^V L DQG^L , L WKLQN^L IWW^L YHUV^L LPSRUWDQW^L WR^L GR^L VR^L DV^L DQ^L
\$GPLQLWLDWRU[¶]

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&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPILWTH^L +ROGV^L +3DJH[¶] ←LRI ←

, L GR^L IHH^L OLN^L SHUKOSV^L \RX^L GRQW^L XQGHUWWDQG^L WKH^L JUDY^L RI^L WKH^L VIWWDWLQ[¶] L
IURPL \RXUL UHSRQMH[¶] L %HFDXVH^L WKH^L DUH^L IHGEDFN^L PHKQQLPV^L WKD^L DUH^L
WWDWLQJ^L WR^L RFFXUL ZW^L WKH^L RSHQ^L EO^L ZDWHU[¶] L DQG^L WKH^L \$URWLF^L IHGEDFN^L IURPL
PHWKDQH^L EXEEOLQJ^L XS^L IURPL WKH^L SHUPDIURW^L EXEEOLQJ^L XS^L IURPL WKH^L SHDW^L
ERJV[¶]

%EXEEOLQJ^L XS^L IURPL ZKDW^L ZDV^L SUHYLRXO\ L IURJHQ^L PHWKDQH^L RQ^L WKH^L ERWRPL RI^L
AKH^L RFHDQ^L WKDW^L KDV^L LQFHGLEO\ L DFFHOHDLWQJ^L LPSPDW^L RQ^L JOREDO^L ZDPLQJ[¶] L
2XUL UDWH^L RI^L FDUERQ^L GLR[LG^L SROOXWLQ^L LV^L GRW^L GHUHDMQJ^L JOREDOO[¶] L LW^L KDV^L
GRXEOHG^L LQ^L UDWH^L IURPL RCH^L SDUW^L SHU^L PLOORQ^L SHU^L \HDU[¶] L WR^L WZL^L SDUW^L SHU^L
PLOORQ^L SHU^L \HDU[¶]

6R[¶] L ZH^L DUH^L RQ^L DQ^L DFFHOHDLWQJ^L FXUYH^L DV^L DL KXPDQ^L FLYLOL]DALRQ[¶] L , I L KXPDQ^L
FLYLOL]DALRQ^L GRHMOW^L JHW^L LW^L WRJHMKH^L YHU^L TXLFNO[¶] L ZH^L DUH^L LQ^L YHU^L GH^L
AURXEC[¶] L DQG^L , L ZRQG^L KRSH^L WKDW^L DV^L VRPH^L SRQW[¶] L SHUKOSV^L WKH^L XUJHQF^L RI^L WKH^L
VIWWDWLQ^L ZRQG^L EH^L VRPHWKLQJ^L \RXOO^L JUDE^L DL KROG^L RI[¶] L 7KDQN^L \RX[¶]

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6HQDWL 5RXQG[¶]

5281'6 L

7KDQN^L \RX[¶] L OU[¶] L &KDLUPDQ[¶] L \$MRUCH[¶] L *HQHDO^L 3UXLW[¶] L ODWW^L \HDU^L DW^L DQ^L
RYHUVLJKW^L KHDLQJ[¶] L ZH^L KHDLG^L UHSRUW^L RI^L WKH^L (3\$ L UHJLRQDO^L RI I LFHV^L ZKR^L
ZH^L VHGLQJ^L FRPSDQLHV^L LQIRUPDWLRQ^L FROOHWRQ^L UHTXHWW[¶] L RU^L ,&5V[¶] L
3XUWDXDW^L WR^L 6HFWLQ^L ¶¶+ L RI^L WKH^L &HDQ^L \$LU^L \$FW[¶] L UHJDUGLQJ^L WKHLU^L RSHUDWLQV^L
ZW^L QR^L H[SODQDWLRQ^L DV^L WR^L WKH^L UHDVRQV^L IRU^L WKH^L ,&5V[¶]

7KHMH^L ,&5V[¶] L ZKLFK^L FRPSDQLHV^L DUH^L CHJDOO^L REOLJDW^L WR^L UHSRQG^L WR^L FDQ^L
FRWW^L WKH^L FRPSDQLHV^L PLOORQ^L RI^L GROODUV^L WR^L FROOHWR^L WKH^L LQIRUPDWLRQ^L WR^L
UHMSRQG^L WR^L WKH^L UHTXHWW[¶] L 7KH^L RWHQ^L KHDL^L QR^L IROORZ^{+XS^L} IURPL WKH^L (3\$ L
UHJDUGLQJ^L ZKHMKH^L WKHLU^L UHMSRQMH^L ZDV^L DQHTXDW[¶] L RU^L ZKDW^L WKH^L LQIRUPDWLRQ^L
ZRQG^L EH^L XM^L IRU[¶]

/DW^L \HDU^L , L UHTXHWWHG^L IURPL WKH^L (3\$ L DL UHFRUG^L RI^L WKH^L ,&5V^L WKDW^L KDG^L EH^L Q^L
VHQW^L WR^L 8[¶] 6[¶] L FRPSDQLHV^L WKURXJKRW^L WKH^L YDULRXV^L UHJLRQ[¶] L , L ZDV^L WROG^L E\ L WKH^L
(3\$ L WAD[¶] 1[¶] L WKDW^L WKH^L ZDV^L QR^L ZD^L WR^L JHW^L WKLV^L LQIRUPDWLRQ^L EHFDXVH^L WKH^L
GLGQW^L KDYH^L LW[¶]

6HFROG[¶] L LQ^L + !! ¶↑ ¶ L , L ZURW^L DL CHW^L WR^L WKH^L (3\$ L \$GPLQLWLDW^L *LQD^L
OF&DUW[¶] L UHTXHWWLQJ^L WKH^L HFRQRPLF^L LQIRUPDWLRQ^L WKDW^L IRUPV^L WKH^L EDMLV^L RI^L
AKH^L &HDQ^L 3RZHU^L 3ODQ^L DQG^L WKH^L 2]RCH^L 1R[L 6WQGDUGV[¶]

KWS ↑ ↑ ZZZ FT FRP[†] GRF[†] FRQJUHWLREDDOMQWULSAW "¶" L SULQWVW[¶] ¶¶!!

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPPLWHL^L +ROGV^L + 3DJH[¶] ← L RI ←

7KHM^L DUH^L WKH^L PDMRU^L UHJXODALRQV^L WKOW^L ZHUH^L EHLQJ^L TXLFNO\ ^L LPSRVHG^L RQ^L
\$PHULFDQ^L WD[SD\HUV[¶] L 7KH^L UHMSRQMH^L ZKLFK^L, L UHFLYHG^L WRRN^L WZR^L DQG^L D^L
KDOI^L PRQWKV^L WR^L JHW^L WKH^L UHMSRQMH[¶] L EXW^L, P^L ++ L XQGHUW\ DQG^L WKOW^L, P^L RQH^L RI^L
AKH^L IHZ^L UHFLSLHQW^L ZIWK^L DQ^L DFWKDOO\ ^L CHWHL^L EDFN^L IURP^L WKH^L (3\$[¶]

\$QG^L, L ZRXOG^L DVN^L WKOW^L LW^L EH^L LQFOXHG^L DV^L SDUW^L RI^L WKH^L UHFRUG^L RI^L WKH^L PHWLOQ^L
ARGD[¶] L OU[¶] L &KDLUPDQ[¶] L DQG^L WKH^L CHWHL^L ZDVL EDMLFDOO\ ^L CRWKLQJ^L ++ L CRWKLQJ^L
VKRUW^L RI^L UHIIHULQJ^L PH^L WR^L DQ^L, QWHLQHG^L OLQ^L WKOW^L GLUHFHG^L PH^L WR^L :HESDJH[¶] L
AKH^L VDPH^L :HESDJH^L ZKLFK^L JHQHUDWGL^L WKH^L TXHMLRQV^L LQ^L WKH^L ILUW^L SODFH[¶]

(WHQALDOO[¶] L WKH^L MKW^L VLPSO\ ^L VXJJHMWGL^L WKOW^L, L *RRJCH^L LW^L 1RW^L KDUO\ ^L D^L
UHMSRQMH^L WKOW^L \RX^L ZRXOG^L H[SHRW^L EDFN^L IURP^L DQ^L IHGHUDOL^L DJHQF[¶] L DW^L CHDW^L
RQH^L WKOW^L ZDVL WU\ LQJ^L WR^L EH^L UHMSRQMLYH^L ZIWK^L UHJDUG^L WR^L PDMRU^L SURSRVHG^L
UXCH[¶]

:RUNLQJ^L DW^L D^L 8QLWGL 6ADWHV^L VHODWRU[¶] L , YH^L IRXOG^L LW^L QHDUO\ ^L LPSRWLECH^L WR^L
HDVLO\ ^L DFRHW^L WKH^L LQIRUPDWLRQ^L WKOW^L, P^L ORNLQJ^L IRU[¶] L , L FDQW^L LPDJLQH^L WKH^L
GLTILFXOM^L RI^L D^L VPDOO^L EXVLQHWA[¶] L D^L IDUPHUL^L RU^L D^L UDQFKHUL^L ZKHQ^L WKH^L DUH^L
VHNLQJ^L WR^L JHW^L LQIRUPDWLRQ^L IURP^L WKH^L (QYLURQPHQWDO^L 3URWFLWLRQ^L \$JHQF[¶]

\$V^L WKH^L (3\$^L DGPLQLWLDWRU[¶] L WKH^L URCH^L ZKLFK^L \RX^L DUH^L VHNLQJ[¶] L GR^L \RX^L
EHOLHYH^L WKOW^L WKLV^L LV^L DQ^L DGHDXWHL^L ZD\ ^L WR^L FRPPXQLFDWHL^L ZIWK^L WKH^L SXEOLF^L DQG^L
HOHFHG^L RI\ LFLOM[¶] L DQG^L ZKOW^L DUH^L \RX^L YLHZV^L RQ^L PDNLQJ^L DJHQF[¶] L
FRPPXQLFDWLRQ^L DQG^L UHFRUGNHHSLQJ^L PRUH^L WUDQVSDUHQW^L DQG^L DFRHWLECH["]

358,77 L

6HQDWRL[¶] L WKLV^L LV^L DFWKDOO\ ^L D^L FRPPRQL^L WKH[¶] L DV^L, L PHW^L ZIWK^L PDQ\ ^L RI^L \RX^L RQ^L
AKLV^L FRPPLWHL[¶] L ERWK^L 'HPRFLDWW^L DQG^L 5HSXEOLFQ[¶] L LW^L ZDVL H[SHWHG^L WR^L
PH^L WKOW^L D^L FRQFHQ^L DERXW^L WKH^L ODFN^L RI^L UHMSRQMH^L E\ ^L WKH^L (3\$^L DW^L DOO^L LQ^L
UHMSRQMH^L WR^L LQTXLULH[¶] L CHW^L DORQH^L WKH^L WLPH^L UHMSRQMH[¶]

\$QG^L VR^L, L EHOLHYH^L LWL YHUV^L LPSRUWDQW[¶] L DV^L, L LQGLFDWGL^L LQ^L P\ ^L RSHQLQJ^L
WDWPHQW^L WR^L OLWHQ[¶] L CRW^L RQO\ ^L WKH^L YRLFH^L RI^L WKH^L \$PHULFDQ^L SHRSO[¶] L EXW^L OLWHQ^L
AR^L PHPEHUV^L RI^L &RQJUHWA[¶] L OLWHQ^L WR^L PHPEHUV^L RI^L WKLV^L ERG^L ZIWK^L UHMSHFW^L WR^L
AKH^L LWXHV^L WKOW^L DUH^L FRQFHQ^L WR^L WKH^L LQ^L WKHLU^L UHMSHFWLYH^L WDWPH[¶]

\$QG^L WKDW^L VRPHWLQJ^L, L WDNH^L YHUV^L VHULRXVO\ ^L DQG^L ZRXOG^L VHN^L WR^L UHMSRQG^L
H[SHGLWRXVO\ ^L WR^L \RX^L DQG^L WR^L RAKHUV^L RI^L WKLV^L ERG^L ZIWK^L UHMSRQMH[¶]

5281'6 L

&4 FRP[†] 6HQDWL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPILWHL +ROGV^L +3DJH[¶] LI RI

7KH^L 5DQNLQJ^L OHPEHU^L KDG^L DVNHG^L DQG^L ZDV^L IROORZLQJ^L XS^L ZLWK^L WKH^L
TXHMLRQV^L LQ^L WHUPV^L RI^L \RXU^L URCH^L DV^L WKH^L DMWRQH^L JHQHUDO^L ZLWK^L UHJDUG^L WR^L
IUDPNLQJ^L LWXHV^L LQ^L WKH^L 2NODKRPD[¶] L EXW^L DOVR^L ZLWK^L UHJDUG^L WR^L PCHDQL^L DLU^L
DWDLGPHQW^L OHYHOV^L DQG^L VR^L IRUWK[¶]

\$QG^L LW^L VHPHG^L WR^L PH^L WKDW^L ZKDW^L \RX^L ZHU^L WU^L LQJ^L WR^L SRUWDL^L DV^L WKH^L WLPH[¶] L
DQG^L, GL^L OLNH^L \RX^L WR^L H[SDQG^L RQ^L WKLV^L EHFDXVH^L, L WKLQN^L WKLV^L LV^L LPSRUWDQW[¶] L LV^L LW^L ++
\RX^L KDYH^L DL GLI IHHQW^L URCH^L DV^L DQ^L DMWRQH^L JHQHUDO^L WKDQ^L \RX^L ZRXOG^L EH^L LI^L
\RX^L ZHU^L UHMSRQMLEOH^L DV^L WKH^L DJHQF^L ZLWKLQ^L WKH^L WDWHL^L ZKR^L KDG^L WKH^L GLUHW^L
DQG^L WDWHL^L DXAKRULM^L WR^L UHMSRQ^L WR^L WKRVL^L LWXHV[¶]

,W^L VHPV^L WR^L PH^L WKDW^L WKDW^L RQH^L RI^L WKH^L URCH^L WKH^L (3\$^L DGPLQLWUDWU^L KDV^L
ZKLFK^L ZRXOG^L EH^L GLI IHHQW^L WKDQ^L WKDW^L RI^L DQ^L DMWRQH^L JHQHUDO[¶] L ZKLFK^L LV^L WKH^L
H[HFXALRQ^L RI^L WKH^L ODZ^L WKDW^L ZMH^L SDWHG[¶] L &RXOG^L \RX^L H[SDQG^L DL OLNH^L ELW^L
%HFDXVH^L, L WKLQN^L WKLV^L LV^L UHDQ^L LPSRUWDQW^L LQ^L WHUPV^L RI^L \RXU^L ++ L WKH^L ZD^L \RX^L
SHUFHLYH^L \RXU^L GXWHL^L ZLWK^L UHJDUG^L WR^L H[HFXALQJ^L WKH^L ODZ^L WKDW^L WKLV^L
&RQJUHW^L KDV^L SDWHG[¶]

358,77 L

<HM[¶] L 6HQDWU[¶] L DQG^L, L DSSUHFLDWH^L WKH^L TXHMLRQ[¶] L 7KH^L URCH^L RI^L DQ^L
DGPLQLWUDWU^L LV^L WR^L SHUFRUP^L DQ^L H[HFXALYH^L URCH[¶] L DQ^L H[HFXALYH^L SROLF[¶] L PDNLQJ^L
URCH[¶] L DQ^L LQ^L FDJUVLQJ^L RXW WKH^L IXQFWLRQ^L DQG^L WKH^L WDWHL^L WKDW^L &RQJUHW^L
KDV^L SDWHG[¶] L 7KDW^L PXFK^L GLI IHHQW^L WKDQ^L P\ L FXWHW^L URCH^L DV^L DMWRQH^L
JHQHUDO[¶]

\$QG^L DV^L, L WULHG^L WR^L LQGLFDWH^L WR^L 6HQDWU^L &DUSHU^L WKDW^L LQ^L UHSHFW^L WR^L
HQIRUFPHQW^L DFLRQV^L LQ^L WKH^L WDWHL^L RI^L 2NODKRPD[¶] L WKDW^L YHWHG^L VSHFLI LFDOO^L
LQ^L WKH^L 'HSUWPHQW^L RI^L (QYLURPHQWDO^L 4XDWL[¶] L 7KHUH^L WKH^L RQH^L WKDW^L EULQJ^L
HQIRUFPHQW^L DFLRQV^L DJDLQW^L FRPSDQLHV^L ZKR^L GR^L CRW^L FRPSOL^L ZLWK^L DLU^L
SHUPLW[¶] L HW^L FHWHUD[¶]

:H^L SURYLGH^L JHQHUDO^L FRXQMD^L WR^L WKH^L LQ^L WKDW^L SURFH^L EXW^L LW^L CRW^L RXU^L
UHMSRQMLEOLW[¶] L EXW^L PRUH[¶] L LW^L CRW^L RXU^L MULVGLFLRQ[¶] L \$QG^L WKDW^L LPSRUWDQW^L VR^L
PH^L EHFDXVH^L LW^L JRHV^L EDFN^L WR^L UXCH^L RI^L ODZ[¶] L LW^L JRHV^L EDFN^L WR^L SURFH[¶]

, L WKLQN^L RWHQ^L WLPH^L ZKDW^L ZH^L VHH^L LQ^L WKLV^L FRXQW^L L LV^L WKDW^L WKRVL^L NLQG^L RI^L
GLVUHJDUG^L WKH^L DXAKRULM^L RUL^L MULVGLFLRQ^L WKDW^L EHQL^L JLYHQ^L WR^L WKH^L EV^L WKH^L
WDWWHL^L RI^L WKH^L FRQWWDWLRQ^L DQG^L WKH^L DFW^L DQ^L ZD[¶] L 7KDW^L ZKDW^L FUHDW[¶] L , L
NLQG^L DL ODFN^L ++ L DL ODFN^L RI^L FRQILGHQFH^L LQ^L WKH^L \$PHULFDQL^L SHRSOH[¶] L \$QG^L VR^L, YH^L
NLQG^L WR^L UHSHFW^L WKRVL^L ERXQGDULHV[¶]

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L +HE 3DJH[¶] LQRI^L

,YH^L WULHG^L WR^L UHSHFW^L P^L URCH^L DV^L DMRUGHV^L JHQHUDO^L DV^L DMRUGHV^L JHQHUDO^L
WAD^L LQ^L P^L ODHQ^L L L^L \RX^L ZLOO^L DQG^L SURYLG^L WKH^L FRXQHOL^L DQG^L SHIRUP^L WKH^L MRE^L
AKOW^L ZHUH^L VXSRRVHG^L WR^L SHIRUP^L WR^L WKOW^L DJHQF^L EXW^L WKH^L DOORZ^L WKOW^L
DJHQF^L WR^L HQIRUHF^L DV^L UHTXLUGH^L E^L ODZ^L

5281'6 L

\$QG^L WKH^L YHU\ L TXLFNOD^L L WKOW^L DOVR^L PHDQV^L WKOW^L ZIWK^L UHDUG^L WR^L GHWHUPLQLQJ^L
AKH^L VFLHQFH^L EHKLQG^L WKH^L ODZV^L WKOW^L ZH^L FUHDWH^L DV^L WKH^L DGPLQLWUDRU^L L \RXUH^L
QRW^L JRLQJ^L WR^L PDNH^L WKH^L GHWHUPLQLQJ^L \RXUHDI^L L <RX^L H[SHFW^L WKOW^L VRXQG^L
VFLHQFH^L DQG^L WKOW^L VFLHQNLWWL^L ZIWK^L WKOW^L EDNJRURXQG^L ZRXOG^L EH^L PDNLQJ^L WKH^L
UHFRPHQGDWLQV^L WKOW^L \RX^L ZRXOG^L WKH^L EDVH^L D^L GHFLVLRQ^L RQ"

358,77 L

<HM^L DQG^L ZHUH^L REMHWLYH^L DQG^L WUDQVSDUHQW^L LQ^L WKOW^L SURFHWD^L

5281'6 L

7KDQN^L \RX^L 7KDQN^L \RX^L OU^L &KOLUPDQ^L

%\$55\$662 L

7KDQN^L \RX^L 6HQDWRL^L 5RXQGV^L L 6HQDWRL^L %RRNU"

%22.(5 L

OU^L &KOLUPDQ^L L L^L \RX^L ZRXOG^L JUDPHIXOO^L KROG^L WKH^L FORFN^L IRU^L D^L VHFRQG^L L
EHFDXW^L , L ZDQW^L WR^L UHVSRG^L YHU\ L VXXFLQFWO^L WR^L VRPHWKLQJ^L WKOW^L OU^L ++ L
6HQDWRL^L %RR]PDQ^L DQG^L \RX^L VDLG^L)LUWW^L RI^L DDO^L WR^L \RX^L L VLUX^L , L MXW^L ZDQW^L WR^L VD^L L
LUWW^L P^L I LUWW^L WLPH^L JRLQJ^L WKURXJK^L QRPLQDWLRQ^L KDULQJV^L L <RX^L KDYH^L EH^L YHU\ L
JHQHURXV^L ZIWK^L WKH^L ZD^L \RXYH^L EH^L FROGXFALQJ^L WKHMH^L KDULQJV^L

, L WKDN^L LUW^L LPSRUWDQW^L WKOW^L ZH^L NQRZ^L WKOW^L DQG^L , L DSSUHFLDWH^L WKH^L QXPEHU^L RI^L
URXQGV^L WKOW^L \RX^L DUH^L GRLQJ^L \$QG^L WKH^L WR^L 6HQDWRL^L %RR]PDQ^L , L UHDOO^L GR^L
DSSUHFLDWH^L KLP^L D3GLQJ^L WR^L WKH^L OLQH^L RI^L LQTXLU^L RQ^L KDYLQJ^L \RX^L WR^L PH^L DV^L D^L
IULHQ^L ZKLFK^L PHDQV^L D^L CRW^L WR^L PH^L

3HRSCH^L DURXQG^L KHUH^L L \RXU^L FROHDJXHV^L NQRZ^L WKOW^L \RX^L KDYH^L D^L GHIS^L
UHSHFW^L IRU^L WKH^L NLQG^L RI^L NLQGHW^L DQG^L ++ L DQG^L MXW^L GHFRQF^L WKOW^L \RX^L
UHSUHMHQW^L WR^L D^L CHYHOL^L WR^L ZKLFK^L , L DVSLUH^L WR^L EXW^L KDYH^L CRW^L DWDLQHG^L 6R^L , L WKDN^L
\RX^L IRU^L WKOW^L L 7KDQN^L \RX^L IRU^L LQGXQJLQJ^L PH^L

KWS ↑ ↑ ZZZ FT FRP[†] GRF[†] FRQJUHWLRQDQWDFQWULSAW "¶" L SULQWVWUH ¶ ¶ !!

&4 FRP 6HQDWH (QYLURPHQW DQG L 3XEOLF L :RUNV L &RPPLWTH L +ROGV L + 3DJH 9 RI

%\$55\$662 L

7KQDN L \RX

%22.(5 L

\$QGL DJDLQ L ZLWK L ++ L ZLWK L UHSHFW WR P\ FROHDJXH L ZKR L LV D L UHDODV L JRRGL
FDQ L L L WKLVL ZDV L EHAWHQL 'HODZDUH L DQG L 1HZ L -HUMH\ L , P L WKH L XS L WDWH\ L , L
ZRXOG L EH L YHU L KDS\ L ZLWK L WKH L DJUHPHQW WKDW L W VHPV L WKDW \RX L ++ L WKDW
\RX L GLG

%W \RX L ZHUH L WKH L GRZQL WDWH\ L DQG L ++ L DQG L VR L WKDW L ZKDW , L GROW
XQGHUWDQG L 1RZ L \RX L VDLG L HDUOLHU L LQ L \RXU L WHWLPQV L LQ L UHJDUGV L WR L WKLVL
FDWHU L WKDW \RX L KDH L D L FRS\ L RI L WKH L + !! !! T L DJUHPHQW L 'R L \RX L KDH L WKDW

358,77 L

, L KDH L WKH L VHFRQG L DJUHPHQW 6HQDWRU L WKH L RQH L ▲ ▲ ▲

%22.(5 L

2. L ZHOO L CHAW L MAW L ORRN L DW D L + !! !! L DJUHPHQW L DQG L , L NQZ L \RX L FODLPHG L LQ L
\RXU L WHWLPQV L HDUOLHU L WKDW WKH L + !! !! T L DJUHPHQW L KDG L DQ L H[SLUDWLQ L RQ L LW

358,77 L

,W ZDV L DLWQ L HDUL SHURG L WKDW L WKDW QHGHGL WR L EH L UHDOXOWHG L 7KLV L LV L WKH L
VHFRQG L WDWHPHQW , L KDH L KHUH\ L 6HQDWRU L , L GROW L KDH L ▲ ▲ ▲

%22.(5 L

4M L VLU L , L MAW L ZDQW L WR L FODULI \ L WKDW L W VHPV L WKDW L W L D L FRQWUDGLFWLRQ L
7KHUHV L QR L H[SLUDWLQ L RQ L WKH L + !! !! T L DJUHPHQW L ,W KDG L D L UHDOXOWHG L L D L
SHURG L LQ L ZKLFK L W ZRXOG L EH L UHDOXOWHG L DQG L W ZDV L UHDOXOWHG L E\ L \RXU L
WDWH\ L ZLWK L LOYROYHPHQW RI L WKH L (3\$ L DQG L WKH L LOYROYHPHQW RI L \$UNDQDV L DQG L
AKH\ L FDPH L XS L ZLWK L WKH L VDPH L + !! T + L WDQGDUG

\$QGL L I L \RX L ORRN L DW WKH L SURYLVRQV L RI L ZKDW \RX L GR L KDH L LQ L IURQW RI L \RX L L WKH L
+ !! ! T L DJUHPHQW L DQG L , L KDH L D L EORZ L XS L RI L 3DJH L + L RI L WKDW DJUHPHQW L W L
WDWH\ L WKDW L WDQGDUG L KHUH\ L W L WDWH\ L WKDW L | 2NODKRPD L WKURXJK L WKH L :DWHU L
5HMRXUHV L %RDUG L ZLOO L SURSRVH L D L UXCH L DPHQPHQW WKDW UHPRYHV L WKH L CDWH L

&4 FRP 6HQDWL (QYLURPHQW DQG L 3XEOLF L :RUNV L &RPPLWHL +ROGV L + 3DJH 9 L RI

AR L DFKLHYH L IXOO L FRPSOLDQFH L ZIWK L WKH L QXPHULF L SKRVSKRURXV L FULWHULRQ L VHW-
IRUWK L LQ L 2NODKRPD L DGPLQLWLDALYH L FRGH L \$QGL WKH L LW L OLWW L WKHM H L WZL
FRGHM

\$QGL L I L \RX L ORRN L DW L WKRML WZL FRGHM L ZKOW L WKRML WZL FRGHM L GR L ++ L \RX L
NQRZ L ZKOW L WKH L DUH L 7KHL VHW L WKH L VHWLRQV L RI L SKRVSKRURXV L
FRQFHQWLWLRQV L VKDOO L GRW H[FLHG L < !! T + L E\ L -XQH L T !! < L ,W L UHPRYLQJ L WKH L -XQH L
T !! L GHGOLQH L LQ L WKHM H L WZL WDWXWV

\$QGL VR L WKOW + + L WKOW L ZKOW L LV L IUXWLDALQJ L WR L PH L LV L WKOW L WKLV L LV L ZKOW L \RXUH L
KHDOGLQJ L DV L DJUHHPHQW L EXW L \RX L DOUHDGV L KDG L LQ L \RXU L + !! P T L DJUHHPHQW L
LW L FOHDUL WKOW L \RXUH L GRLQJ L WR L PH L DQGL , L GRW NQRZ L RI L DQRAKHUL ZD L
UHDGLQJ L LQ L WKH L IDFW L L V L \RX L WDNL D L ELOGLQJ L UXCH L RI L ODZ L DQGL \RX L VVSHQGL LW
IRU L DQRAKHUL WKUH L \HDLV L DOORZLQJ L WKH L PRUH L SROOXALRQ L WR L WDNL SODFH

358,77 L

6HQDWL L WKOW + + L WKOW L LV L GRW + + L WKH L LWXH L KHUL ZDVL GRW ZKHWKHUL 2NODKRPD L
FRXOG L HQIRUFH L LW L < !! T + L WDGQDUG L LW ZDVL ZKHWKHUL \$UNDQMDVL ZDVL JRLQJ L WR L
DGRSW WKOW WDGQDUG L RQ L WKOW VLGH L RI L WKH L ERUGH L 7KOW KDG L QHYHUL WDNL
SODFH L LQ L KLWRU L 7KOW ZDVL WKH L FRQFHQ L RI L 2NODKRPDQ L 7KOW ZDVL WKH L
FRQFHQ L RI L OU L)LW L DW L WKH L VHQLF L , OOLQLV L 5LYHU

%22.(5 L

\$QGL VR L , L UHSHTW WKOW L , P L JRLQJ L WR L WLSXODW L WR L ZKOW L \RX L VDLG L , I L \RX L + + L , P
UXQQLQJ L RXW L RI L WLPH L VLUL + + L EHDXVH L , L DJUHL ZIWK L \RX L ZKHWKHUL \$UNDQMDVL
ZDVL JRLQJ L WR L EH L DEOH L WR L OLYH L XS L WR L WKOW WDGQDUG L EXW L \RXUH L WKH L
2NODKRPD L DMRUQH L JHQHDO L DQGL WKLV L LV L ZKOW , L ZDQW WR L VD L

\$V L VRRQ L DV L \RX L GLG L WKLV L VR L FDQH G L KLWRULF L DJUHHPHQW WKOW VHW LW EDFN L
\RX L EDMLFDOD L WKQHG L WR L WKH L (3\$ L ZIWK L WKH L UXCH L + + L ZIWK L WKH L SRZHUL RI L WKH L ODZ L
RI L WKH L 6XSUHPL &RXUW DQGL VD L 2.0 L EDFN L RI T L RI L P V L FRUSRUDALRQ L :K V L GR L
, L VD L WKOW VR L FRQILGHQW " L %HDXVH L , L SXOOL D L CHWHL TURPL 7(VRQ L)RRGV L WKOW
OHWUDOO L VL [L GDV L DMHUL \RXU L VR L FDQH G L KLWRULF L DJUHHPHQW RI L VVSHQGLQJ L
AKLV L UXCH L IRU L WKUH L \HDLV L WKH L GHOLJKW

7KHL ZULW L WR L WKH L (3\$ L DQGL VD L KHL L \RX L + + L WKH L KDH L QRZ L DOUHDGV L KHDUG L
RI L WKH L)HEUXOU L + !! WK L DJUHHPHQW E\ L \$UNDQMDVL DQGL 2NODKRPD L RI L LFLODV L WR L
VRLQW L FRQGXFW DQ L FRPSUHKHQLYH L WKG L RI L FRQFHQWLWLRQV L DQGL LPSDRW L
LQ L WKH L , OOLQLV L 5LYHU L 6KHG L 7KHLUH L H[FLHG

KWS ↑ ↑ ZZZ FT FRP GRF FRQJUHML RDOWDQWULSAW "P L SULQWVWUH P + !!

&4 FRP[†] 6HQDWL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L + 3DJH[¶] 4RI^L

7KH^L OLWUDOO^{\|} VD\|^{\|} L FRPSOLDQFH^L KRZHYHU^{\|} L ZLWK^L WKH^L QRZ^L □ !! T → L PLOORJUDP^L KDV^L
EHQ^L VXVSHQGH^{\|} L VR^L OD\|^{\|} RI^L XV^{\|} L (3\$^{\|} L XQGHU^L WKLVL DJUHPHQW^L XQALO^L WKH^L
WAG^L SURFH^L LV^L FRPSCHWHG^{\|} L 7KH^L VD\|^{\|} L | ,Q^L FRQFOXVLRQ^{\|} L WKH^L E\+ WWDW^L
DJUHPHQW^L KDV^L VXVSHQGH^L LPSOHPHQWDLRQL GDW^L RI^L □ !! T → L GXULQJ^L WKH^L WHUP^L
RI^L WKH^L DJUHPHQW^{\|} |

,QGXWU^{\|} L LV^L UHDOO^{\|} L KDOSS^{\|} L DERXW^L WKLVL DQG^L EHOLHYHM^{\|} L DQG^L RI^L FRXUW^L WKLVL CHW^{\|} L
XQDHM^L \RXUH^L VD\|LQJ^{\|} L 7\VRQV^L ZDVL ZURQ^{\|} L WKH^L EHOLHYH^L WKDW^L ZKDW^L \RX^L GLG^L
LV^L JLYH^L WKH^L WKH^L (3\$^L ZLWK^L WKH^L SRZHUL RI^L WKH^L 6XSUHPH^L &RXUW^L DQG^L WKH^L ± !! L
VHDU^L RI^L ZRUN^L WKDW^L SUHGFFHWRUV^L RI^L \RXUW^L KDG^L GRCH^{\|} L WKH^L SRZHUL WR^L ++ L WR^L ++ L
AR^L VXVSHQG^L WKDW^L SRZHUL RI^L WKH^L WR^L FRPSO^{\|} L ZLWK^L WKH^L ODZ^{\|}

\$QG^L VR^L WKDW^L UHDOO^{\|} L ZKDW^{\|} ,P^L WUXJJOLQJ^{\|} L ZLWK^{\|} L 2Q^L RQH^L KDOGL^L \RX^L VD\|^{\|} L WKDW^L
\RX^L ILOHGL ODXAXLW^L DJDLQW^{\|} ¶± L SHRSOHL DJDLQW^L WKH^L (3\$^{\|} L ,W^L WKLVL LGHD^L RI^L
IHGHUDOLVP^{\|} L 21 L 2NODKRPD^L VRYHHLJQW^{\|} L 2NODKRPD^L WWDW^L ULJKW^{\|} L \RXUH^L
ILHUFHO^L ILJKW^L IRU^L 2NODKRPD^{\|} L DQG^L RQ^L WKH^L VLGH^L RI^L WKH^L SROOXWU^{\|}

\$QG^L \RX^L VD\|^{\|} L WKH^L (3\$^L LV^L DWHPSALQJ^{\|} L WR^L GR^L WKLQJV^L EXW^{\|} L WKH^L RQ^L WKH^L RAKHJ^L
KDOGL LQ^L WKLVL FDMH^L WKDW^L \RXUH^L WDNLQJ^{\|} L DERXW^{\|} L \RX^L VZLWFK^L VGGHOO^{\|} L WR^L VD\|^{\|} L
| :HO^{\|} L 2NODKRPDV^L ZDWHUL TXDOLW^L WWDQGDUG^L IRU^L SKRVSKRURXV^L WKDW^L KDV^L
EHQ^L ZRUNHG^L RQ^L IRU^L ± ↑ L VHDU^{\|} L DUPHG^L ZLWK^L DQ^L (3\$^L DSSURYDO^{\|} L DUPHG^L ZLWK^L
D^L 6XSUHPH^L &RXUW^L GHFLVLRQ^L RQ^L SRLQW^L VD\|LQJ^{\|} L WKDW^L XS^L ULYHUL WWDW^L DUH^L
ERXQG^{\|} L LQGXWUHV^L EHOLHYH^L WKDW^L WKH^L ERXQG^{\|} L EXW^L VGGHOO^{\|} L \RXUH^L QR^L
CRQJHUL ILJKW^L IRU^L 2NODKRPD^{\|}

<\RXUH^L ILJKW^L WR^L SURWHRW^L LQGXWU^{\|} L DQG^L RQ^L WKH^L VLGH^L RI^L LQGXWU^{\|} L DJDLQ^{\|}

358,7 L

, L FDQ^L DWXUH^L \RX^{\|} L 6HQDWRL^{\|} L WKDW^L LQGXWU^{\|} L GLG^L WKLQ^L WKH^L ZHUH^L ERXQG^{\|} L
\$QG^L , L FDQ^L □ □ □

322.(5 L

7KHQ^L ZK^{\|} L GLG^L 7\VRQV^L ZULWH^L WKH^L CHW^{\|} L VLU["]

358,77 L

, L GROW^L ++ L , L GROW^L NGRZ^{\|} L , L GROW^L NGRZ^L ZK^{\|} L WKH^L VDLG^L WKDW^{\|} L EHFDXW^L DV^L
6HQDWRL %RRJPDQ^L LQGLFDWHL HDUOLHU^{\|} L WKH^L SKRVSKRURXV^L CHYHOL^L DV^L □ !! T → L ZDVL^L
XHQQRUFDECHL RQ^L WKH^L \$UNDQDV^L VLGH^L RI^L WKH^L ERUGHUL DQG^L WKDW^L ZKUH^L WKH^L
FRQWULEXWLRL ZDVL^L ++ L WKDW^L ZDVL^L WKH^L FRQFHUQ^{\|} L \$QG^L XQALO^L WKLVL DJUHPHQW^L WKDW^L
ZH^L KDG^L KHUH^{\|} L ZDVL^L QHJRALDWHL DQG^L VLJQHG^L E\ L \$UNDQDV^{\|}

&4 FRP 6HQDWH (QYLURQPHQW DQG L 3XEOLF :RUNV &RPPVWTH +ROGV + 3DJH 9 RI

7KDW KDG L QHMU L RFFXUHG L LQ L WKH L KLWRLV L RI L 2NODKRPD

%22.(5 L

%XW VLUX L \$UNDQMDV L ZDV L SDUM L WR L WKH L + !! q + L VFLHQW L LFL L QYHVAJDALRQ L 7KHVUH L ERXQG L E\ L DL 6XSUHPH L &RXUW MXWLFH L FDMH L ZKLFK L ,YH L SRQWVHG L RXW WR L IRX L DOUHDG L DQG L , L FRXQG L UHDG L IRX L WKH L ELQGLQJ L SDUDJUDSKV L ERXJKW L QL E\ L WKH L (3\$ L DQG L REYLRXVO L XQGHUWRRG L E\ L LGQXWU L WKDW WKH L ZHUH L ERXQG L E\ L WKDW WDQGDUG

<RXU L DJUHPHQW GLGQW H[FLWHL + + L GLGQW + + L GLGQW VARS L LW L W L H[FLWHL WKH L + + L WKH L + + L WKH L SHURGL LQ L ZKLFK L SHRSCH L FRXQG L SROOXWH L , L GRQW XQGHUWDOGL KRZ L AKDW FRXQG L EH L KLWRLUF

358,77 L

6HQDWRU L , L MXW + + L , L WKLQNL DV L IRX L ORRN L DW L ZDW L DFKLHYHG L BHVWTHQ L \$UNDQMDV L DQG L 2NODKRPD L IRX L KOYH L WKH L \$UNDQMDV L DMRUQH L JHQHDO L (GL)LWH L ZKR L ZDV L WKH L ROG L + + L ZKR L KDG L EHQ L LQYROMHG L LQ L WKHM L LWXHM L DV L LQGLFDWHL HDUOLHUL VLQFH L q ← T L WU\ LQJ L WR L HQIRUH L DQG L READLQL ZDWHL TXDOLW L WR L + + L WKDW LPSURYHG L WKH L , OOLGRLV L + + L WKH L 6FHQFL , OOLGRLV L 5LYHUX L KH L FLWHL WKH L KLWRLUF L UHMXOW L QL WKLV L + + L QL WKLV L PDWKHU

6R L , P L XQDZDUH L RI L WKH L CHWHL WKDW L RXUH L UHILQJ L WR L EXW L , L FDQL DWWXUH L IRX L AKDW LGQXWU L ZDV L GRW L GRW DW DQO L H[FLWHL DERXW L !! T → L BHQJ L HQIRUH L RQ L WKH L \$UNDQMDV L VLGH L RI L WKH L ERUGHU

%22.(5 L

\$QG L , OOL FRQFOXGH L MXW L E\ L VD\ LQJ L VLUX L IAW L FODUL WKDW L LGQXWU L ZDV L H[FLWHL DERXW WKH L WKH L \HDU L GHOD L WKDW L IRX L ERXJKW L WKH L WR L FRQWLOXH L WR L SROOXWH L , W L ZULWHL WKH L LQ L D L CHWHL L \$QG L I W VHPV L WR L PH L WKH L WKPH L LQ L IRXU L LV L GRW L IHGHUDOLVP L DQG L WDWHL ULJKW L EXW L GHUJXODALRQ L DQG L VLGLQJ L ZIWK L SROOXWHUV L DJDLQW WKH L HQYLURQPHQW DQG L WKH L SXEOLF L KHDOBK L WDQGDUG

\$QG L IAW L XQIRUWQDH L WR L PH L WKDW L WKDW + + L WKDW + + L XQCHWL IRX L FDQL VRKZ L PH L VRPHWKLQJ L GLI I HUHQW L QL WKH L ZD L WKDW WKLV L DWDQO L KHOSHG L WR L FODQL XS L WKH L ULYHUL TXLFNHU L EXW L , L MXW GRW VHH L WKDW DW DQO L LQ L WKH L HYLGHQFH L DQG L WKH L IDFW L AKDW L , L KOYH L EHIRUH L PH

%\$55\$662 L

KWS ↑ ↑ ZZZ FT FRP GRF FRQJUHWLREDOVW DQG VULSAW "q + SULQWVWUH q + !!

&4 FRP 6HQDWH (QYLURPHQW DQG L 3XEOLF L :RUNV L &RPPLWPH L +ROGV L + 3DJH 9 L RI L

7KQNL RXL YHU L PFKL 6HQDWRUL %RRNHU L 2XUL CHW TXHMLRCHU L LV L DRAKDOOL
6HQDWRUL %RRJPDOQ L 6LQFH L ZHL KOYH L 2NODKRPDL DQG L \$UNDQMDVL ERWK L KUH
GROW NGRZL L L RXL KOYH L DL TXHMLRQL 6HQDWRUL %RRJPDOQ L RUL L L RXL MXW ZDOW
ARL PDNL DL FRPPHQW DERXW WKLVL DJUHPHQW WKDW + + L VLQFH L ERWK L RI L WKH L WDWHV
DUH L KUH L , L WKLQN L RXL GLGL UHSUHMHW WKH L FRQJUHWLRQDL GLWULFW GLUHWOL
DGMDPHQW

%22=0\$1 L

1R L L ZDOW WR L PDNL DL TXLFN L FRPPHQW DQG L WKH L DMHUL WKDW L WKLQN L DOOL RI L P L
TXHMLRQV L KOYH L EHQ L DQVZUHG L DQG L \LHOG L EDNL L L RXL NGRZ L L L ZHL FDQ L
KOYH L DJUHPHQW L %XW L , L WKLQN L WKH L WKLQJ L 6HQDWRUL %RRNHU L WR L XQCHUWDQG L
LV L LV L WKDW ILUW RI L DOO L WKH L ZDHWL ZDVL CRW EHLQJ L SROOXWHG L DW L WKDW SRLQW

\$UNDQMDVL KDG L PDGH L WUHPHQRXV L LPSURYHPHQW RYHUL WKH L \HDUV L DQG L KDG L
VXW + + L WKH L GLVFKDWH L LQ L 6SULQJEDOH L)DHMHYLOCH L 5RJHUV L %HQNRQYLOCH L WKH L
PDML L FRPPXQLWHV L WKH L KOYH L JURZQ L WUHPHQRXV L GXULQJ L WKDW
ALPH L IUDPH L WKH L GLVFKDWHV L ZHU L GRZQ L WR L RXL NGRZ L YHU L DPLLUDEOH L
CHYHV L 6R L DOO L RI L WKDW ZDVL EHLQJ L GRQH L 7KH L TXHMLRQ L ZDVL L ZDVL L ! T → L IDLU L
YHUVX L L ! + L RUL L ! + " "

\$V L , L PHQWLRCHG L HDUOLHU L RXUL PRW L SULWLG L ULYHUL LQ L \$UNDQMDVL ZDVL CRW
DW L ! T → L ! 6R L ZHL GLGQW IHDL OLNH L ZHL FRXOG L + + L ZHL FRXOG L GR L WKDW L 6R L \$UNDQMDV
+ + L 2NODKRPDL ZDVL KDOSS L ZLWK L DOO L WKLVL WKI L \$UNDQMDVL ZDVL CRW L \$QGL
EHFDXH L RI L WKDW LQ L ! ! ! T → L ! DVL WKH L DJUHPHQW UDQL RXW L WKH L ZHU L SUHSDUHG L
ARL VXL L + + L RUL WR L JR L EDNL WR L FRXUL DJDLQ

7KLV L WKLQJ L KDG L EHQ L OAWJDWHG L VLQFH L WKH L 6XSUHPH L &RXUW L QGLQJ L EDNL LQ L
WKH L ! ! V L DOO L DORQJ L WKH L OLQH L %XW WKDW L + + L DQG L WR L EH L KRQHWA L , P L CRW KDOSS L
ZLWK L WKH L ! ! T → L , L WKLQN L LWW L WRL WULQJHQW L , L ZRXOG L FKDOOHQJH L RXL NGRZ L WR L
ILQG L DL ULYHUL LQ L 1HZ L -HMH L WKDW PHHW L WKDW WDQGDUG L DQG L RXL FDQ L GR L LW L
,WW L D L YHU L YHU L WULQJHQW WDQGDUG

6R L LW ZDVL + + L LW ZDOW FRQWLQXLOQJ L WR L SROOXWH L DQG L WKLQJV L OLNH L WKDW L
7UHPHQRXV L SURJUHW L PDGH L RQ L WKH L \$UNDQMDVL VLGH L (YHU\RCH L DJUHPHQW
ZLWK L WKDW L ,W ZDVL ZKHUH L GR L RXL GLDZ L WKH L OLPLW L \$QGL VR L RMHQ L ZLWK L WKH L (3\$ L
AKLV L LW L VR L LPSRUWDQW L :HYH L KDG L RQ L WKH L FRPPLWPH L ZHYH L KDG L WKH L
JHQNDPDQ L WKDW UHSUHMHW L WKH L ZDHWL GLWULFW L RXL NGRZ L IRU L WKLVL + + L WKLVL
KXJH L DJHD

KWS ↑ ↑ ZZZ FT FRP GRF FRQJUHWLRQDO DQG FULSAW "¶ + SULQWVWUH ¶ + !!

&4 FRP 6HQDWL (QYLURPHQW DQG L 3XEOLF L :RUNV L &RPPILWH L +ROGV L + 3DJH 9 L RI L

7KH L VSHQW L • ♀ L ELOOLRQ L \RX L NQRZ L GRLQJ L D L JUHDW L MRE L RI L FCHDQLQJ L WKLQJV L XS L UDLVLQJ L HYHUVERG L UDWHM L (3\$ L KDV L FRPH L EDFN L DQG L ZDQW L WKH L WR L VSHQG L DGRWKHUL • ♀ L ELOOLRQ L IRU L ++ L IRU L D L WLQV L IUDFWLRQ L WKDW L HYHUVERG L DJUHHV L ZRXOG L QRW L KOYH L DQG L LPSPDFW L RQ L WKH L ZDWHUL TXDOLW L LQ L WKH L ULYHU L 7KRVH L DUH L AKH L NLQG L RI L WKLQJV L WKDW L \RX L JHW L LQWR

6R L DJDLQ L ,PL QRW ++ L ,PL UHDOD L QRW KDOSS L DW DQO L DERXW WKH L ◀ !! T → ◀ L ,L WKLQJ L 7\VRQV L DQG L WKH L LQGXWV L ZHUH L KDOSS L LQ L WKH L VHOMH L WKDW L \RX L ZRXOG L KOYH L DL VWWKWLQJ L ZKHUL \RX L ZRXOG L KOYH L VRPH L IUDFWLRQ L \RX L ZRXOG L KOYH L VRPH L UHMRXWLQJ L VR L WKDW L HYHUVERG L FRXOG L JR L IRUZDUG

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6HQDWL (UQW L DQ L ILQDO L FRPPHQW L RU L WKRXJKW L RU L TXHVALRQV"

(5167 L

, L ++ L WKDN L \RX L OUK L &KOLUPDQ L , L GRQW L KOYH L DQ L IXWKHUL TXHVALRQV L :KOHYHUL DGGWLQRQD L TXHVALRQV L , L KOYH L , L ZLOO L VXEPLW L IRU L WKH L UHFRUG L %&W L , L GR L KOYH L VRPH L FORVLQJ L FRPPHQW L , L GR L ZDQW L WR L SXV L EDFN L D L OLWCH L ELW L RQ L AKH L ++ L RQ L WKH L UDQNLQJ L PHPEHUV L FRPPHQW L HDOLHJ L

, L KDG L JRQH L WKRXJK L DL VHULHV L RI L H[DPSOH V L RI L RYHUHDFK L E \ L WKH L JRYHUGPHQW L ZLWK L WKH L H[SDQGH G L CHI LQWLRQ L RI L ZDWHU L RI L WKH L 8 6 8 L DQG L WKH L UDQNLQJ L PHPEHUL KDG L WWDWHG L WKDW L KH L KDG L D L CHWHL L WKDW L KH G L UHFLYHG L IURP L AKH L \$GPLQLWLDW L *LQD L OF&DUW K L

\$QGL , L KOYH L QR L GRXEW L WKDW L VKH L ZDVL DQVZHULQJ L WKRVH L TXHVALRQV L KRCHMOW L EHFDXH L VKH L ZDQW L WKH L RQH L PDNLQJ L WKH L WWDWHPHQW L 7KH L WWDWHPHQW L AKDW L , L SUHMHQHG L FDPH L IURP L WKH L &RUSV L RI L (QJLQHUV L DQG L WKH L 'HSDUWPHQW L RI L -XWLFH L 1RZ L , L NQRZ L WKLV L WR L EH L WUXH L 7KMH L DUH L QRW L DV L LPSOLHG L IURP L VRPH L REVFXUH L :HEVWHL RI L WKH L , QWHLQHW L GRQH L E \ L VRPH L EORJJHUL LQ L DL EDWPHQW L VRPHZKHUL

7KH L FRPPHQW L DRWDOD L FDPH L IURP L WKLV L FRPPILWH L FDMH L WKGHLHV L IURP L AKLV L FRPPILWH L 6HSWPHU L !! ♀ T ◀ L 7KMH L DUH L H[DPSOH V L RI L FDMH L WKGHLHV L IURP L DQO L DRURW L WKH L 8QWHG L 6HSWPHU L DQG L , L ZLOO L FLMH L MXW L RQH L WKDW L , L ++ L , L RSHQHG L XS L WR

KWS ↑ ↑ ZZZ FT FRP GRF FRQJUHWL RDWDQW DQWULSAW "♀ + SULQWVWUH ♀ + !!

&4 FRP[†] 6HQDWL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L + 3DJH[¶] L RI L

| \$^L ODQG^L RZQHUL LQL &DOLIRUQLD^L UHFHLYHG^L DQL LQYHWAJDAWRQ^L CHWHU^L IURPL WKL^L
&RUSVL LQIRUPLQJ^L KPL WKL GLVNLQJ^L SHURPHGL E\ L D^L WHQDW^L IDUPHUL RQL KLV^L
ODQG^L PD\ L KDYH^L UHMXOWHG^L LQL DQL XQDXAKRUL]HG^L GLVFKDWHL LQWR^L :2786 | L
\$QG^L WKWL UHJXODARUV^L KDG^L RSHQHG^L DL FDMH^L DJDLQW^L WKL ODQG^L RZQHUL L 7KH^L
DUH^L EHLOQJ^L LPSCHPHQWGL FDMH^L E\ L FDMH[¶]

7KLVL CHWHU^L FDPL DVL DL VXSULVH^L WR^L WKL ODQG^L RZQHUL ZKR^L KDG^L EHQL GLVNLQJ^L
AKLV^L SDUWLFODUL VWH^L SHULRGFLDO\ L RYHUL WKL SDW^L ¶↑ L VHUV^L WR^L VXAQDQL JUDJLQJ^L
FRQGLWLRQV^L IRU^L KLV^L FDMH^L DL SDUWLFH^L KHL EHOLHMHG^L ZDV^L GRUPDOL XQALO^L KHL
UHFHLYHG^L WKL VL QRALFH[¶]

7KH^L &RUSVL WROG^L WKL ODQG^L RZQHUV^L FRQXODQW^L WKWL DOOL GLVNLQJ^L IRU^L DQ\ L
SXUSRML DQG^L DW^L DQ\ L GHSWKL ZLWK^L DQ\ L SRWHDOLDO^L :2786 L V\ L D^L GLVFKDWHL LQWR^L
:2786 L DQG^L LQL WKL DEVHQFH^L RI^L DL SHUPLW^L UHSUHMQW^L DQL XQDXAKRUL]HG^L
GLVFKDWHL LQL YLRODWLRQ^L RI^L WKL &CHDQL :DWUL \$FW^L 7KLVL LV^L DQL DRWDOL CHWHU^L
IURPL WKL &RUSVL WKWL ZDV^L VXEPLWHL WR^L WKL VL FRPPLWHL^L WKL (3: L
FRPPLWHL ODW^L VHUV[¶]

6R^L WKL VL QRW^L PDGH^L XS[¶] L 7KLVL LV^L DL YHUL UHDOL LPSDFW^L WR^L DOOL \$PHULDQV[¶] L \$QG^L
VR^L, L DSSUHFLDWL\ RXUL VWDQFH^L \$WRUQH^L *HQHUDO^L 3UXLWW^L WKWL LI^L \RXL DUH^L
FRQILUPHGL^L \RXL ZLOO^L ZRUN^L ZLWK^L WKRML WKL ZLVK^L WR^L FRQALQH^L IDUPLQJ^L GRUPDOL
SDUWLFH^L %\W^L WKL VL QRW^L PDGH^L XS^L IRONV[¶] L \$QG^L ZH^L MXW^L QHG^L HYHURQH^L WR^L
XQGHUWWDQG^L WKWL WKL &RUSV^L WKL '2- L DQG^L WKL (3\$ L KDYH^L JRQH^L EHNRQG^L
ZKWL ZH^L FRQMLGHUL WR^L EH^L UHDVRQDECH^L DSSOLFDWLRQ^L RI^L WKL ODZ[¶] L 7KDQNL \RXL
YHUL PXFK[¶]

♂ 81.12:1 □ L

OU[¶] L &DOLUPDQ^L L L , L FRXOG^L MXW^L UHMSRQG^L YHUL EULHIOV[¶] L 7KL CHWHU^L WKWL , L VHOM^L
RQ^L -DQXOU\ L ¶¶ L ZDV^L QRW^L MXW^L WR^L WKL (3\$ L ,W ZDV^L WKL KHDGL RI^L WKL (3\$ L DQG^L
DOV^L L WKWL RI^L WKL DWLWWDQW^L VHFUHWDU^L RI^L WKL \$SUP\ L WKL 'HSQWPHQW^L RI^L WKL
\$SUP\ L ZKRV^L LQL FKDWHL RI^L WKL \$SUP\ L &RUSVL RI^L (QJLQHUV[¶] L 6R^L \W ZDV^L UHDQ\ L
\R^L ERW^L L ERW^L (3\$ L DQG^L WKL \$SUP\ L &RUSVL RI^L (QJLQHUV[¶]

, L JDYH^L WKL D^L ¶↑ L GRJHQL RUL PRUH^L TXHMLRQ^L L DQG^L VDLG^L L WKL VL LV^L + + L WKM^L DUH^L
AKHL DWHMLRQ^L WKWL ZHUL KHDULQJ[¶] L :KWL LV^L WKL WUXAK^L \$QG^L WKL L
UHMSRQHGL MRLQW\ L 6R^L , L ZRQG^L MXW^L CHDYH^L L

(5167 L

KWS ↑ ↑ ZZZ[¶] FT[¶] FRP[†] GRF[†] FRQJUHML RDQWUDQWULS\ "¶" L SULQWULXH ¶+!!

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPILWHL^L +ROGV^L +~~ME~~ 3DJH[¶] L RI L

\$QGL LIT⁺⁺ LIT⁺, FDQL UHMSRG^L WR^L WKDW^L, IT⁺⁺, DSRORJL]H^L EHFDXVH^L, ZDV^L JRLQJ^L V
XVL^L 6HQDWUL 5RXQGV^L CHWHUL DVL DL SRS[¶], KDG^L CRW^L VHQL DL CHWHUL TURPL WKL^L
(3\$^L, KDG^L ZULWHL^L \$GPLQLWUDARUL *LQD^L OF&DUWK^L QHDLO^L WZRL \HDUV^L DJRL^L
RQ^L VRPH^L LWXHV^L WKDW^L, ZDV^L ZDQNLQJ^L DGGUHWHG^L IRU^L, RZD[¶]

\$QGL, LQYWHG^L KHUL WR^L FRPH^L WR^L, RZD^L DQG^L YLVW^L 6KH^L QHMUL HMUL UHMSRGHG^L WR^L
PH^L RU^L P^L WDI[¶] L 6R^L WKDN^L \RX^L OU^L &KDLU[¶]

%\$5\$662 L
6HQDWUL ODUNH[¶]"

0\$5. (< L
7KDN^L \RX^L OU^L &KDLUPDQ[¶] OU^L 3UXLW^L \RX^L KDH^L FULFL]HG^L WKL^L 2EDPD^L
\$GPLQLWUDARUL RQ^L DL QXPHEUL RI^L RFFDVLRQV^L IRU^L DOOJHBO^L TXRWH^L | FROOXGLQ^L
ZMK^L HQYLURQPHQDOL JURXSV^L WR^L HQJDJH^L LQ^L VXH^L DQG^L VHMOH^L WDFALFV[¶] | L <RX^L MXW^L
UHWUDWLG^L \RXU^L FRQFHQ^L WR^L 6HQDWUL ,QKRIH[¶]

%XW^L LQ^L 'HHPHEU[¶] L FDQ^L RI^L \RXU^L FR^L SODLQALI^L DMRUQHV^L JHQHDO^L ZKR^L DUH^L
VXLQJ^L WKL^L (3\$^L RYHUL WKL^L &CHDQ^L 3RZHU^L 3DQ^L VHQL DL CHWHUL WR^L 3UHMLGHQ^L
HOHW^L 7UXPS^L XUJLQJ^L KLP^L WR^L VHMOH^L WKLUL^L ODZAXLW^L UHWDWLG^L WR^L WKL^L &CHDQ^L
3RZHU^L 3DQ[¶] L 7KDW^L VXUL^L VRXQGV^L OLNH^L DQ^L LQYWHULRQ^L WR^L HQJDJH^L LQ^L VXH^L DQG^L
VHMOH^L WR^L PH[¶]

7R^L DYRLG^L WKL^L DSSHLDQFH^L RI^L HQWHULQ^L LQWR^L VZHWHDUW^L VHMOHPHQW^L RQ^L WKL^L
&CHDQ^L 3RZHU^L 3DQ^L LQ^L FDMH[¶] L ZLQ^L \RX^L FRPILW^L WR^L UHFVXLQ^L \RXUHDI^L TURPL DQO^L
RQJRLQ^L OIWJDALRQ^L WKDW^L \RX^L DUH^L LQYROYHG^L LQ[¶]"

358,77 L
6HQDWUL , L ZRXOG^L VD^L WR^L \RX^L WKDW^L WKL^L VXH^L DQG^L VHMOH^L SDFALF[¶] L ZHWHUL E\LL
AKLV^L DGPLQLWUDARUL RUL IXWUH^L DGPLQLWUDARQV^L LV^L DL SDFALF^L WKDW^L VKRXOG^L CRW^L
EH^L IROORZHG[¶] L, EHOLHYH^L WKDW^L UHJXODALRQV^L WKURXJK^L OIWJDALRQ^L LV^L ZURQJ[¶]

, L EHOLHYH^L WKDW^L WKL^L UXCH^L PDNLQ^L SURFH^L WKDW^L &RQJUHW^L KOV^L HWDEOLVKHG^L
VKRXOG^L EH^L UHSRWHG^L E\ L DJHQFLH[¶] L CRW^L RQ^L WKL^L (3\$^L EXW^L DFURWL WKL^L
ERDUG[¶] L, L ZRXOG^L PHDVLQHG^L RQ^L FDMH^L WR^L \RX^L L 7KDW^L FDMH^L LV^L ▲ ▲ ▲

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&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L +3DJH^L !! U!RI^L

%W^L WKLV^L LV^L ZKOW^L WKH^L ++ L^L LW^L ORRN^L OLNH^L WKDW^L ZKOW^L WKH^L DWRLUHV^L JHQHUDO^L DUH^L
GRLOJ^L ZKR^L DUH^L VXLQJ^L DQG^L \RXUH^L DL^L FR^L SODLQWLT^L LQ^L WKLV^L FDVH^L RQ^L WKH^L &HDQ^L
3RZHU^L 3DQ^L :LOO^L \RXU^L UHFVXH^L \RXU^L ++ L^L ZLOO^L \RXU^L UHFVXH^L \RXUHDI^L TURP^L DQ^L
URCH^L LQ^L WKH^L VHMOLOQ^L RI^L WKHM^L FDVM^L LQ^L WKH^L QHJRALDWLRQ^L RQ^L WKH^L VHMOLOQ^L RI^L
WKHM^L FDVM^L"

358,77 L

7KH^L VXH^L DQG^L VHMOCH^L SUDFWLFH^L VKRXOG^L GRW^L EH^L XMHG^L E\ L^L DQ^L L^L \$GPLQLWUDWLRQ^L WR^L
UHJXODWH^L :HYH^L H[SHULHQFH^L LQ^L 2NOKRPD^L DL^L FDVH^L LQYROYLQ^L WKH^L)LVK^L DQG^L
:LOGOLIH^L DQG^L (QEDQJHUGL^L 6SHFLHV^L \$RW^L DQG^L WKH^L UHOLWALQ^L RI^L CHWHU^L SUDLULH^L
FKLFNHQ^L WKDW^L LP\$DWIGL^L RXU^L WDW^L L^L 6R^L VXH^L DQG^L VHMOCH^L LV^L ZURQJ^L

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6R^L WKDW^L LV^L DJDLQ^L ▲ ▲ ▲

358,77 L

7KDW^L VXH^L DQG^L VHMOCH^L LV^L ZURQJ^L

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\$UH^L \RXU^L JLYLQJ^L PH^L DL^L \HM^L WKDW^L \RXU^L ZLOO^L GRW^L VHMOCH^L ZLWK^L WKHM^L DWRLUHV^L
JHQHUDO^L"

358,77 L

, L^L ZLOO^L GRW^L HQJDJH^L LQ^L DL^L VXH^L DQG^L VHMOCH^L SUDFWLFH^L LI^L FRQILUPHG^L DV^L WKH^L (3\$^L
\$GPLQLWUDWLRU^L

0\$5. (< L

2.0^L EXW^L ▲ ▲ ▲

358,77 L

\$Q\ L WLFH^L

0\$5. (< L

6R^L L^L ZLOO^L \RXU^L QHJRALDWHR^L ZLWK^L WKH^L WR^L ++ L^L WR^L UHDFK^L DL^L VHMOCHPHQW^L L^L VXFK^L DV^L WKDW^L
KDV^L EH^L QL^L UHRRPPHQHG^L E\ L^L WKH^L ++ L^L E\ L^L WKH^L DWRLUHV^L JHQHUDO^L ZKR^L DUH^L WKH^L
SODLQWLTIV^L LQ^L WKLV^L FDVH^L DJDLQW^L WKH^L &HDQ^L 3RZHU^L 3DQ^L"

&4◀ FRP↑6HQDWHL (QYLURQPHQW DQG L 3XEOLF L :RUNV L &RPPLWHL +ROGV L +HE 3DJH LL !! LQRI LL

358,77 L

6HQDWU L IW L LV L D L EHOLHI L RI L PLQH L WKOW L WKH L XVL RI L VXL DQG L VHWCH L LV L D L SUDFWLFH L
WKOW L ◀ ◀ ◀

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5LJKW

358,77 L

◀ ◀ ◀ L VRXOG L QRW L EH L GRQH L E\ L ◀ ◀ ◀

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, L KHDU L \RX

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◀ ◀ ◀ L DQ\ L DJHQF\ L RI L WKH L 8◀ 6◀ L JRYHUQPHQW

0\$5. (< L

6R L \RXOO L ++ L ZLOO L \RX L UHFXVH L \RXUHDI L IURPL DQ\ L LQYROMPHQW L Q L WKLV L QWJDALRQ L
DV L IW L LV L EH LQJ L GHFLGHG"

358,77 L

\$V L ,YH L LQGLFDWHL WR L \RX L 6HQDWU L WKH L (3\$ L DW L WKLV L FRXQMHO L FDUHUL WDITI L DW L
WKH L (3\$ L KDV L VDLG L WKOW D L SDUWLFXODU L PDWWHU L LQ L VSHFLI LF L FDMH L WKOW L WKRML L ++ L
WKRMH L ZLOO L EH L HYDOXWHL DW L WKH L WLPH L ,OO L VHN L WKH L FRXQMHO L DQG L FRPSO\ L
ZWK L WKH L FRXQMHO

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+RQHMD\ L OU\ L 3UXLW\ L WKH L LV L QR L ELJJHUL FDML WQDQ L WKH L &CHDQ L 3RZHUL 3DQ\ L
,W L JRHV L WR L WKH L SURPLVH L WKOW L WKH L 8QWHL GWDWHL LV L PDNLQJ L WR L WKH L ZRUG L WKOW L
ZH L DU L JRLQJ L WR L UHGXFL VLJQL L FDQ\ L RXU L JUHQRXVH L JDHV\ L 6R L WKLV L MAW L
JRHV L WR L \RX\ L DV L DQ L LQGLYLGXDO L WD\ LQJ L WKOW L VLQFH L \RX L EURXJKW L WKH L FDML
ZWK L WKHM L RAKHUL DW RLQH\ V L JHQHDO L WKOW L \RX L ZLOO L QRZ L UHFXVH L \RXUHDI L

358,77 L

, L ZRXOG L WKOW L ◀ ◀ ◀

KWS ↑ ↑ ZZZ FT FRP↑ GRF↑ FRQJUHWLRQDQW DQG FULSAW "¶ L

SULQWVWUH ¶ + !!

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPILWTH^L +ROGV^L +ME 3DJH^L !! RI^L

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6LQFH^L \RX^L DUH^L LQ^L IDFW^L WKH^L SODLQW^L LQ^L DQG^L GHIIHQGDQW^L LQ^L WKLV^L FDMH^L L^L L^L \RX^L DUH^L
FRQILUPHG^L DV^L WKH^L (3\$^L DGPLQLWUDWRU^L

358,77 L

6HQDWL DV^L, L^L LQGLFDWHL WR^L \RX^L HDUOLHU^L L^L DQG^L, PL VRUU^L WR^L LQWHLUXSW^L \RX^L L^L EXW^L
DV^L, L^L LQGLFDWHL WR^L \RX^L HDUOLHU^L L^L ZLOO^L UHFXVH^L L^L GLUHFHGL E\ L^L WKH^L (3\$^L DW^L WKLV^L
FRXQMH^L WKH^L FDUHUL WDI^L L^L DW^L (3\$^L HWKLFW^L L^L \RX^L NQRZ^L WKHM^L LQGLYLGXDO^L L^L
7KH^L DUH^L ++ L^L WKH^L DUH^L ++ L^L WKH^L YH^L EH^L WKH^L DQG^L WKH^L ++ L^L, L^L ZLOO^L IROORZ^L WKHLL^L
FRXQMH^L DQG^L JXLGQFH^L

0\$5. (< L

:HOO^L DOO^L ULJKW^L, L^L NQRZ^L, PL QRW^L JRLQJ^L WR^L JHW^L \RX^L WR^L UHFXVH^L \RXUH^L L^L TURPL DQ^L
RI^L WKHM^L FDMHVL EXW^L, PL MXW^L WHOLQJ^L \RX^L L^L LWW^L JRLQJ^L WR^L ZLQG^L XS^L EH^L L^L KXJH^L
FRQIOLFW^L RI^L LQWHLHW^L L^L WKHM^L DWRLQH^L V^L JHQHDO^L JHW^L WR^L VHWCH^L RQ^L WKHLL^L WHUPV^L
ZWK^L WKH^L 7UXPS^L DGPLQLWUDWRU^L L^L DQG^L \RXUH^L VWWLQJ^L WKH^L LQ^L WKH^L PLGGH^L RI^L
WKH^L URRPL DV^L WKW^L RFFXUV^L

1RZ^L CHW^L PH^L ++ L^L CHW^L PH^L JR^L WR^L DQRAKHU^L VXEHW^L DQG^L WKDW^L LV^L WKLV^L ERWCH^L RI^L
7UXPS^L ZDWHU^L 7UXPS^L ZDWHU^L QDWHUDO^L VSULQJ^L ZDWHU^L L^L RQ^L WKH^L ODEHD^L LW^L VDW^L L^L
TXRW^L | 3XUH^L L^L TUHM^L DQG^L TUH^L TURPL FRQNDPLQDQW^L L^L 7KLV^L LV^L ZDWHU^L WKH^L ZD^L LW^L
ZDV^L PHDQW^L WR^L EH^L | L^L 7UXPS^L KRWH^L JXHW^L KOYH^L WKH^L OX[UV^L RI^L GULQNLQJ^L WKLV^L
ZDWHU^L L^L WKH^L GROW^L WUXW^L ZKDW^L FRPHV^L RXW^L RI^L WKH^L WDS^L

/RZ^L LQFRPH^L FRPPXQLWHV^L DFURW^L RXU^L FRXQWU^L GR^L QRW^L KOYH^L WKH^L VDPH^L
OX[UV^L L^L 'R^L \RX^L DJUH^L WKDW^L WKH^L (3\$^L SODV^L DL^L FUWLFDO^L UROH^L LQ^L HQXULQJ^L WKDW^L
DOOL^L \$PHULFDQV^L UHJDUGCHWL RI^L UDFLDO^L L^L HWKQLF^L RU^L HFRQRPLF^L EDFNJURXQGV^L
KOYH^L DL^L ULJKW^L WR^L FCHDQ^L ZDWHU^L L^L TUH^L TURPL FRQNDPLQDQW^L"

358,77 L

\$EVROWHD^L L^L LQ^L IDFW^L L^L 6HQDWL %RRNHU^L DQG^L, L^L DOUHDG^L L^L WDNHG^L DERXW^L
HQYLURQPHQWDO^L MXWLFH^L LQ^L RXU^L PHWLFQJ^L

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&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPPLWH^L +ROGV^L + 3DJH^L !!TRI^L

\$QG^L WKDW^L LV^L JUHDW^L \$V^L WKH^L ZLGH^L VSUDGL CHDGL FRQNDPLQDWLRQ^L LQ^L)OLQW^L
OLFKLJDQ^L ZDWHU^L VXSOL^L WUDJLFDO^L UHPLQGV^L XV^L ORZ^L LQFRPH^L DQG^L PLGRULM^L
FRPPXQLWLHV^L RMHQ^L EHDL^L IDUL^L JUHDWU^L HQYLURQPHQWDO^L EXUGHQ^L L<HW^L \RX^L WROG^L
6HQDWRL^L &DUGLQ^L HDUOLHU^L WRGD^L WKDW^L \RX^L GLGQW^L NQRZ^L L^L WKHUH^L LV^L DQ^L VDIHL^L
CHYHO^L RI^L CHDGL

%XW^L VFLHQWL^L LF^L H[SHUW^L LQFOXGLQJ^L WKH^L &'& DQG^L :RUOG^L +HDWK^L 2WDQ]DWLRQ^L
KDYH^L FRQFOXGH^L WKDW^L WKHUH^L LV^L QR^L VDIHL^L CHYHO^L RI^L CHDGL H[SRVXUH^L L :LOO^L \RX^L
FRPPLW^L WR^L PDNLQJ^L HQYLURQPHQWDO^L MXWLFH^L IRU^L SRRU^L DQG^L PLGRULM^L
FRPPXQLWLHV^L DQ^L LPPHGDLW^L SULRULM^L RI^L WKH^L (3\$^L L^L \RX^L DU^L FRQILUPHG^L DV^L
DGPLQLWLDRU"

358,77 L

, L EHOLHYH^L LWW^L DL YHU\ L LPSRUWDQW^L URCH^L RI^L WKH^L (3\$^L DGPLQLWLDRUH

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:HOD^L PLGRULM^L FRPPXQLWLHV^L RMHQ^L GRQW^L KDYH^L WKH^L PRQLHV^L < < <

%\$55\$662 L

7KH^L 6HQDWUV^L WLPH^L KDV^L H[SLUHG^L LQ^L WKH^L WKLU^L URXOG^L

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2.^L WKDN^L \RX^L O\H^L &KDLUPDQ^L

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7KDQN^L \RX^L L 7KH^L ++ L DQG^L QRZ^L 6HQDWU^L 6XOOLYDQ^L

68//,9\$1 L

6HQDWU^L ♂ VLF^L 3UXIW^L , L MXW^L KDG^L RQH^L TLQDOL TXHULRQ^L :H WDNHG^L DERXW^L VRPH^L
RI^L WKH^L FKDOOHQJHV^L WKDW^L ZH^L KDYH^L L<RX^L NQRZ^L L WKLV^L FRPPLWPH^L EHQ^L
ZRUNLQ^L RQ^L WKH^L LQIUDWUXFWKH^L LWXHV^L 7KHUHV^L D^L CRW^L RI^L GLVFXWLRQV^L RYHU^L
ODW^L \HDL^L DERXW^L)OLQW^L L OLFKLJDQ^L DQG^L DJLQJ^L L QIUDWUXFWKH^L ZKLFK^L , L WKDN^L LV^L D^L
FRQFHUQ^L DW^L WKH^L WDW^L DQG^L ORFDOL DQG^L IHGHUDO^L CHYHO^L

KWS ↑↑ ZZZ FT FRP[†] GRF[†] FRQJUHWLREDDOWDQFULSAW "¶" L SULQWVWUH ¶+!!

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPPLWH^L +ROGV^L +H 3DJH^L !!4RI^L

7KHUHV^L DOVR^L D^L FKDOOCHQJH^L LQ^L FHJNDLQL^L SDUW^L RI^L WKH^L FRXQWU^L RQ^L QR^L
LQIUDWULXFWXUH^L QRQH^L RQ^L FODQ^L ZDWHU^L DQ^L VHZHU^L \$QG^L P^L WDWH^L KDV^L RYHU^L
T^L !! L FRPPXQLWLHV^L WKDW^L GRQW^L KDYH^L DQ^L FODQ^L ZDWHU^L DQ^L VHZHU^L LQ^L WHUPV^L RI^L
AKH^L GLVHDHM^L DQ^L WKH^L OLYLQJ^L FROGLWLQV^L LQ^L FRPPXQLWLHV^L OLNH^L WKDW^L DV^L \RX^L
FDQ^L LPDJLQH^L LW^L FDQ^L EH^L YHU^L GLI^L LFXOM^L

6R^L LQ^L D^L ELSDUWLDQ^L ZD\ L WKLV^L FRPPPLWH^L DRWHG^L ODNW^L \HDU^L HNDEOLVKHG^L D^L GHZ^L
SURJUDP^L IRU^L GLVDGYDQWDJHG^L FRPPXQLWLHV^L VPDOO^L FRPPXQLWLHV^L WR^L ZRUN^L RQ^L
AKRVH^L NLQG^L RI^L LWXHV^L IRU^L GLI^L HUHQW^L FRPPXQLWLHV^L ZKHVKHU^L LQ^L \$ODMD^L RU^L
RAKHU^L SDUW^L RI^L WKH^L FRXQWU^L WKDW^L OLNHDOO^L OLYH^L LQ^L WKLU^L ZRUOG^L FROGLWLQV^L LQ^L
VRPH^L FRPPXQLWLHV^L

6R^L WKDW^L ZRXOG^L EH^L DGPLQLWVHJHG^L E\ L WKH^L (3\$^L L WKLV^L GHZ^L SURJUDP^L \$QG^L, L MWW^L
ZDQW^L WR^L JHW^L \RXU^L FRPPPLWHQW^L WR^L ZRUN^L ZLWK^L XVL WR^L IXOO^L IXQG^L WKDW^L GHZ^L
SURJUDP^L WR^L ZRUN^L RQ^L WKRVH^L NLQG^L RI^L LWXHV^L

358,77 L

\$V^L ZH^L WDWHG^L DERXW^L LQ^L RXU^L PHWLOQ^L L 6HQDWRU^L , L EHOLHYH^L VRPHWLPHV^L ZKHQ^L
LQIUDWULXFWXUH^L LV^L UHIIHUHQFHG^L ZH^L WKLQNL URDG^L DQG^L EULGHV^L DQG^L ZH^L GRQW^L
AKLQN^L ZDWHU^L LQIUDWULXFWXUH^L

68//,9\$1 L

4DK^L

358,77 L

\$QG^L, L WKLQNL DOO^L WKRVH^L DUH^L LPSRUWDQW^L \$QG^L, L ZRXOG^L PDNH^L WKDW^L D^L SULRUW^L
LQHUIDFLQJ^L ZLWK^L &RQJUHW^L LI^L FRQILUPHG^L DV^L (3\$^L DGPLQLWVHJHG^L

68//,9\$1 L

*UHDW^L WKDN^L \RX^L L 7KDQW^L

%\$55\$662 L

7KDQNL \RX^L 6HQDWRU^L 6XOOLYDQ^L , L ZDQW^L WR^L WKDN^L DOO^L WKH^L PHPEHUV^L IRU^L WKH^L
UHVSHFWXO^L ZD\ L QL^L ZKLFK^L WKH^L EXVLGHM^L ZD\ L FROGXWHG^L WRGD\ L OHPEHUV^L
PD\ L DOVR^L VXEPLW^L IROORZ^L XS^L ZULWWHQ^L TXHVALRQ^L EXW^L LW^L VHHPV^L WKDW^L HHUVRCH^L
KDG^L SOHQM^L RI^L RSSRUWKQW^L WR^L DWN^L RUDOL^L TXHVALRQ^L L 6FKHGCHG^L IRU^L WKH^L FORMH^L
++ L WKH^L UHFRUGLQJ^L IRU^L WKH^L FORMH^L RI^L EXVLGHM^L L 7KXUNGD^L L -DOXOU\ L ¶ L
6HQDWRU^L &DUSHU"

&4 FRP 6HQDWH (QYLURQPHQW DQG L 3XEOLF L :RUNV L &RPPLWVH L +ROGV L + 3DJH L ! L RI L

&\$53(5 L

, L WKRXJKW L ZHU L ZHU L JRLQJ L WR L GR L RQH L PRUH L URXGG

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, L WKRXJKW L WKH L URXGG L ZDV L WKH L ORQJHW L LQ L WKH L KLUWU L RI L WKL V L 7KH L ODWW + + L
WKH L RQO L RAKH L WPH L WKH L ZHU L WKH L URXGG L ZDV L &KULW M L 7RGS L :KLUWPDQ L
LQ L + ! ! ! Q L \$QG L WKRV H L ZHU L WKH L URXGG L RI L ILYH L PLQXWHM L HDFK L DQG L WKH L
UHDVRQ L WKDW L VKH L DVL D L 5HSXEOLFDQ L QRPLQH L ZDV L JLYH Q L WKH L URXGG L LV L
WKDW L WKH L KLUWPDQ L RI L WKH L FRPPLWVH L ZDV L +DW L 5HLG

6R L WKH L WKH L URXGG L 7KH L ZLQHW L KDV L EHQ L KHU L VLQFH L Q L ! ! ! ! L ,W L LV L QRZ L
+ T ! ! ! L VR L KHV L EHQ L VL [+ DQG] D KDOI L KRXV M L DQG L , L WKLQ M L WKH L URXGG L E \ L DQV L
FULWHULD L WKDW L RQH L ZRXOG L XMH L HDFK L RI L ILYH L PLQXWHM L ZKHQ L + + L ZKHQ L *LQD L
OF&DUWV L ZDV L QRPLQDWHG L DQG L , L KDG L VLJQL L FDQW L QXPEHUV L RI L TXHWA L RQ M L
%DUEUDL %R JHU L OLPLW H L PH L WR L ILYH L PLQXWH L URXGG L RQH L ILYH L PLQXWH L URXGG L
DQG L RQH L WR L PLQXWH L URXGG

:H L KOYH L PRUH L WKDW L GRXEOHG L WRGD L WKDW L DPRQW L RI L WPH L IRU L TXHWA L RQ L QJ

&\$53(5 L

OU L &KLUWPDQ"

%\$55\$662 L

6HQDWHU"

&\$53(5 L

, P L FJWDLQ L QW VD L LQJ L WKDW L \RX YH L EHQ L XQIDLU L ZLW K L XW M L EXW L XQALO L WKL V L YHUV L
PLQXWHM L , L GROW L WKLQ M L W L KDV L EHQ L FOHDU L WR L DQ\ RQH L WKDW L WKH L ZDV L D L WKH L
URXGG L OLPLW M L DQG L , L EHOLHMH L \RX L RSHQHG L WKH L KHULQJ L E \ L VD L LQJ L WKDW L ZHG L JR L
RQ L XQALO L SHRSCHV L TXHWA L RQ M L ZHU L DQV ZHU HG

6R L WKL V L LV L D L EI W L RI L D L QRYHOM M L EXW L DJDLQ L SODMV L GROW L WDNL L W L DV L D L FUWLFLVP L
RI L \RX U L IDLUQHM L , L WKLQ M L WKDW L \RX L KOYH L EHQ L IDLU L 7KLV L LV L MXW L QHZV L DQG L , L
GR L KOYH L D L EXQFK L RI L TXHWA L RQ M L ULJKW L KHU L WKDW L , G L KRSHG L WR L DMN L DV L + + L DV L
ZKDW L , L H[SHW H L WR L EH L D L TLQDOL L IRXUW K L URXGG

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:HOO L WKHQ L , L ZRXOG L DOUHDG L LQYIWH L \RX L WR L SODMV L VXEPLW L WKRV H L IROORZ L XS L

&4 FRP[†] 6HQDWL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWPH^L +ROGV^L + 3DJH^L !! RI^L

ZULWWHQ^L TXHMLRQV^L EV^L WRPRURZ^L DW^L FORMH^L RI^L EXVLCHW[¶]

&\$53(5^L

OU^L &KDLUPDQ^L OU^L &KDLUPDQ[¶] L FRXOG^L, L EH^L UHFRJQLJHG^{"L} <DK[¶] L , L □ □ □

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6HQDWU^L &DUSHU^L DQG^L WKH^L 6HQDWU^L %RRNHU[¶]

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, L DSSUHFLDWH^L WKH^L ZD\ L \RXYH^L FRQGXFWHG^L WKLV^L ++ L WKLV^L KHDULQJ^L WRGD\ L
\$SSUHFLDWH^L DOD^L WKH^L PHPEHUV^L FRPLQJ^L DJDLQ^L ++ L FRPLQJ^L EDFN^L DJDLQ^L DQG^L
DJDLQ^L :KHQ^L ++ L ZKHQ^L ZH^L ZHUH^L WDNLQJ^L DL ZHN^L RU^L WR^L DJRL^L DERXW^L ZHUH^L WR^L
KDYH^L WKH^L KHDULQJ[¶] L ZKHQKHU^L WR^L KDYH^L RCH^L GD\ L RI^L KHDULQJV^L RU^L WR^L GD\ VL RI^L
KHDULQJV[¶] L ZH^L ZHUH^L LQWHUHWHG^L ++ L RXUL^L VLGH^L ZDV^L LQWHUHWHG^L LQ^L KDYLQJ^L WR^L
GD\ VL RI^L KHDULQJV[¶]

:H^L ZHUH^L LQWHUHWHG^L LQ^L KDYLQJ^L DQ^L RXWLGH^L SDQHOL^L DQG^L IW^L ZDV^L H[DODLQHG^L WR^L
XV^L WKDW^L WKH^L ++ L WKDW^L CRW^L UHDOD\ L WKH^L WUDGLWRQ^L RI^L WKH^L FRPPLWPH^L WR^L KDYH^L DQ^L
RXWLGH^L SDQHOL^L %XW^L ++ L DQG^L \RX^L VDLG[¶] L , GL SUHILU^L WR^L GR^L IW^L LQ^L RCH^L GD\ L DQG^L ZHOO^L
WD\ L DV^L CRQJ^L DV^L SHRSOH^L KDYH^L TXHMLRQV[¶] L , L WKLQN^L WKDW^L ZDV^L DOPRW^L H[DPMO\ L
\RXUL^L ZRUGV[¶] L \$QG^L WKDW^L KDUG^L WR^L DUJXH^L ZW[¶]

:H^L FDQ^L WD\ L DV^L CRQJ^L DV^L SHRSOH^L KDYH^L TXHMLRQV[¶] L 6RPH^L RI^L WKH^L IRONV^L KDYH^L
VRPH^L PRUH^L TXHMLRQV[¶] L , L NRZ^L , L GR^L \$QG^L ZHUH^L CRW^L UXQQLQJ^L RXW^L WKH^L FORAN[¶] L
7KH\UH^L KRQHMW^L TXHMLRQV[¶] L \$QG^L , L ZRXOG^L MW^L DVN^L WKDW^L \RX^L WKLQN^L EDFN^L RQ^L
RXUL^L HDUOLHU^L FRQYHMDALRQ^L DQG^L \RX^L VHH^L \RXUL^L ZD\ L FOHDU^L WR^L KDYH^L RCH^L PRUH^L
URXQG^L DQG^L ZHOO^L FD00^L IW^L D^L GD\ L

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<DK[¶] L ZHOO[¶] L , L ZRXOG^L VD\ L DL FRXSCH^L RI^L WKLQJV[¶] L 2QH[¶] L LV^L , L RI\UHUG^L WR^L WDUW^L WKH^L
FRPPLWPH^L PHWLU^L HDUOLHU^L WRGD\ L EHFDXH^L WKH^L DUH^L PDQ^L RI^L XV^L ZKR^L
KDYH^L FRPPLWPHQW^L LQWR^L WKH^L HYHQLQJ[¶] L 3HRSOH^L TURPL RXUL^L KRPH^L WDAHV^L ZKR^L
DUH^L KHUH^L IRU^L WKH^L LQDXJXUDALRQ^L DFLYLVW^L \RXUL^L :H^L KDYH^L FRPPLWPHQW^L IRU^L RXUL^L
KRPH^L WDAHV[¶] L \$QG^L WKH^L LGHD^L RI^L WDUALQJ^L DW^L !!! L ZDV^L UHMHWHG[¶]

7KH^L ++ L ZDQWHG^L WR^L JR^L DORQJ[¶] L , L WKLQN^L ULJKW^L EHIRUH^L WKH^L WKLUG^L URXQG[¶] L , L VDLG[¶] L
QRZ[¶] L L , L WKH^L JRLQJ^L WR^L EH^L DQ^L RQJRLQJ[¶] L PD\EH^L ZH^L VKRXOG^L WDNH^L DL EUHDN[¶] L
JLYH^L WKH^L ZLQHWL^L DQ^L RSSRUWQQLW^L WR^L WDNH^L DL EUHDN[¶] L <RX^L VDLG[¶] L GR[¶] L CHAW^L SORZ^L
RQ^L 7KH^L ZLQHWL^L KDV^L EH^L VWWLQJ^L WKH^L CRZ^L IRU^L MW^L DERXW^L WKUH^L KRXUL[¶]

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWPH^L +ROGV^L + 3DJH^L !! L RI^L

\$QG^L GHSHQGLQJ^L RQ^L WKH^L ZLVKHV^L RI^L WKH^L FRPPLWPH^L P^L SUHIIUHQFH^L LV^L WR^L VD\^L
ZH^L KOYH^L GRQH^L PRUH^L WKDQ^L HYHU^L GRQH^L LQ^L WKH^L ODDW^L ¶ + L \HDUV^L RU^L ¶ + L \HDUV^L IRU^L
QRPLQH^L , L PHDQL^L L^L SHRSOH^L KOYH^L RQH^L RU^L WR^L TXHVALRQ^L , L ZRXOG^L ZDOW^L WR^L
JLYH^L WKH^L ZLQH^L DQ^L RSSRUWQDW^L WR^L VVHAWK^L KLV^L OHJV^L ,OO^L EH^L KDS^L WR^L VD\^L
DQG^L ZH^L FDQL^L FRPH^L EDFN^L ZLWK^L D^L WKH^L PLQWH^L URXOG^L

%XW^L , L MXW^L GROW^L + + L , L WKLQ^L WKH^L + + L SHRSOH^L KOYH^L REOLJDWLQV^L DQG^L
FRPPLWPHQW^L DQG^L ZH^L WKRXJKW^L ZH^L ZRXOG^L EH^L FRPSCHWGL^L E\^L QRZ^L DQG^L LW^L
GRH^L VHP^L WKDW^L PDQV^L RI^L WKH^L HQG^L L \RX^L NORZ^L QRW^L DV^L + + L DQG^L IRU^L SHRSOH^L WKDW^L
DUH^L KHUH^L QRZ^L WKH^L FRXOG^L JR^L D^L + + L \RX^L NORZ^L

6R^L ZH^L KOYH^L WR^L PHPEHUV^L WKH^L PHPEHUV^L L^L L \RX^L ZDOW^L WR^L JR^L WR^L WR^L
WKUH^L PLQWH^L RUL^L RQH^L RU^L WR^L TXHVALRQ^L , L WKLQ^L ZH^L ZRXOG^L EH^L DECH^L WR^L
DFRRPPRGDWL^L EXW^L WR^L EULQJ^L EDFN^L WKH^L HQALUH^L FRPPLWPH^L DQG^L JR^L LQWR^L WKH^L
QLJKW^L + +

&\$53(5) L

1R^L ,PL QRW^L + + L ,PL QRW^L VXJJHVALQJ^L ZH^L EULQJ^L EDFN^L WKH^L HQALUH^L + + L ,PL JRLQJ^L WR^L
VXW^L VXJJHWW^L WKDW^L L^L ZH^L FDQ^L L PD\EH^L ZH^L FDQ^L DJUH^L KHUH^L 7KRVH^L WKDW^L DUH^L
KHUH^L WRGD\^L ULJKW^L WKLV^L FRPHQW^L L^L L WKH^L KOYH^L TXHVALRQ^L JLYH^L WKHL^L ILYH^L
PLQWH^L \$QG^L WKHQ^L ZKHQ^L WKH^L GRQH^L L WKHQ^L ZHUH^L GRQH^L L ZHUH^L GRQH^L
<DK

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\$QV^L REMHFWLRQ^L IURP^L RXU^L VLGH^{"L} \$QV^L ZLWK^L WKHM^L RAKHU^L ▲ ▲ ▲

&\$53(5) L

<RX^L KOYH^L WR^L JR^L ZLWK^L ▲ ▲ ▲

%\$55\$662 L

6HQDWU^L ,QKRIH["]

,1+2)(L

\$QVWKXJK^L ZH^L ZRXOG^L EH^L DECH^L WR^L \LHOG^L EDFN^L DQ^L WLPH^L WKDW^L ▲ ▲ ▲

%\$55\$662 L

6XUH^L

&4◀ FRP↑6HQDWHL (QYLURQPHQW DQG L 3XEOLF L :RUNV L &RPPLWTHL +ROGV L +HE 3DJH L ! L RI L

,1+2)(L
◀◀◀ L ZHL KDH L LI L ZHL GLGQW ZDQW WR L XHL LW

&\$53(5 L
2U L \RX L FRXOG L \LHOG L WR L X◀

,1+2)(L
2.♦ L , L FDQL RQO\ L VD\ L WKDW ◀◀◀

♂ /DXJKWHL

,1+2)(L
, L FDQL RQO\ L VD\ L WKDW , YHL FKDLHG L WKLV L FRPPLWTHL IRU L TXLWH L DL QXPEHU L RI L
VHDUV L , YHL EHQL WKRXJK L WKLV L RQFH L EHIRUH L DQG L WKHUH L LV L DOZDVL DQ L HI IRUW
EV L WKRWH L ZKRL DUH SHUDSV L GRW UHDOD\ L VDALVILHG L DV L VRPH L RI L WKH L RAKHUV L
PLJKW EH L WR L WU\ L WR L PDNH L LW FRQWLQXH L RQ L DQG L RQ L DQG L RQ L , L ZRXOG L SUHIHU L WR L
JR L + + L JR L DKHDG

, L WKLQN L ZMH L DQO L KDG L DGHTXDWL WLPHL DQG L + + L DQG L EH L SUHSUHG L WR L YRWH

%\$55\$662 L
:HO♦ L ZHL GROW KDH L DL YRWH L VFKHGCHG L IRU L WRGD\ L RQ L WKLV L :H L GROW KDH L
DQ L DJUHPHQW RQ L WKDW L 6R L WKHUH L ZRXOGQW EH L + + L ZRXOGQW EH L DL YRWH L , L
ZRXOG L + + L , L ZRXOG L VD\ L LI L + + L LI L WKH L + + L LI L WKH L ◀◀◀

,1+2)(L
:HO♦ L LI L WKDW L WKH L FDVL L WKH L ZHL FDQL FRQILQH L LW WR L IRU L WKH L UFRUG

♂ 81.12:1 □ L
♂ ,QDXGLEOH □ ◀

%\$55\$662 L
\$Q\ L RAKHUL VXXJHWLRQV L TURP L WKH L ◀◀◀

68//,9\$1 L

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHH^L +ROGV^L +3DJH^L !! L RI^L

OU^L &KDLUPDQ[‡] L , L WKLQN^L \RXYH^L EHQL H[FHGLQJO\ L IDLU[‡] L SDJULFXODU\ L UHDWLYH^L
AR^L WKH^L FRQI LUPDWLRQ^L RI^L *LQD^L OF&DUWK^L DQG^L , L WKLQN^L IAW^L SXUHO^L ZLWKLQ^L \RXU^L
FDOL^L WR^L KOYH^L WKH^L DGGWLRODOL TXHMLRQV^L EH^L VXEPLWHG^L IRU^L WKH^L UHFRUG[‡] L 6ALOO^L WKH^L
RSSRUWKQW^L IRU^L WKH^L ZLQHW^L WR^L DQZHUL^L WKH^L TXHMLRQV[‡]

+HOL^L WALOO^L KOYH^L WR^L GR^L IW^L EHIRUH^L KLV^L FRQI LUPDWLRQ[‡] L EXW^L UHDWLYH^L WR^L DQ^L L RAKHU^L
(3\$^L DGPLQLWLDWRU^L KDULQ[‡] L \RXYH^L EHQL YHU\ L JHQHURXV[‡] L YHU\ L IDLU^L DQG^L , L
WKLQN^L WKDW^L IRUPL^L WKDW^L SHUSSHAWYH^L □ □ □

&\$53(5 L

&RXOGL^L , L + + L FRXOGL^L , L MXW^L □ □ □

68//, 9\$1 L

◀ □ □ L , L WKLQN^L WKDW[‡] L WKDW^L DL YHU\ L IDLU^L RWFRPH[‡] L WR^L WALOO^L DVN^L WKH^L TXHMLRQV[‡] L -X
VXEPLW^L WKH^L TXHMLRQV^L IRU^L WKH^L UHFRUG[‡]

&\$53(5 L

<HDK[‡] L FRXOGL^L , L UHMSRQG^L WR^L RXU^L FROHDJXH^L IRUPL \$ODVND^{"L} , L GROW^L NQRZ^L LI^L \RX^L
UHPHPEHU[‡] L DL \HDUL RULWZR^L DJR[‡] L WKHJH^L ZDVL DL MRLQW^L VHMLRQ^L RI^L WKH^L +RXVH^L
DQG^L 6HQDWL FRPPLWHH^L DQG^L RAKHU^L Ⓜ VLF[‡] L FRPPLWHM[‡] L DQG^L WKH^L ZLQHW^L
ZDVL *LQD^L OF&DUWK^L DQG^L , L DUJLYHG^L IRXU^L KRXUV^L LQNL^L WKH^L KDULQ^L DQG^L DMHJU^L DL
ZKLOH^L , L ZDVL UHFRJQLJHG^L WR^L + + L WR^L DVN^L DL TXHMLRQ[‡]

\$QG^L P\ L TXHMLRQ^L RI^L *LQD^L OF&DUWK^L ZDV[‡] L | <RXYH^L EHQL KHJH^L IRU^L IRXU^L
KRXUV[‡] L KOYH^L DVN^L | L 6KH^L VDLG[‡] L | <HM[‡] | L \$QG^L , L VDLG[‡] L | ,V^L WKHJH^L TXHMLRQ^L \RX^L
KOYH^L EHQL DVNHG^L WKDW^L \RX^L ZLVK^L \RX^L KDG^L EHQL DVNHG^{"L} | L \$QG^L VKH^L VDLG[‡] L
| <HM[‡] | L VDLG[‡] L | :KDW^L LV^L IW^L | L 6KH^L VDLG[‡] L | , L ZLVK^L ,GL EHQL DVNHG^L LI^L , L QHGG^G
EDWKURRPL EUHDN[‡] |

, L GROW^L + + L , L GROW^L NQRZ^L LI^L WKH^L ZLQHW^L QHGG^L DL EDWKURRPL EUHDN[‡] L EXW^L LI^L \RX^L
QHGG^L RQH^L IRU^L DL FRXSOL^L PLQXWHM[‡] L ZH^L FDQ^L DUUDQJH^L WKDW[‡] L \$QG^L , L FDQ^L VD\[‡] L
KHJH^L ZKDW^L ZHUH^L DVNLQJ^L IRU^L)LYH^L PLQXWHM[‡] L &RU^L %RRNHU[‡] L 6KHGRQ^L
:KJWHRXVH[‡] L 7RPL &DUSHU[‡] L :H^L DVN^L KPL^L DL TXHMLRQ^L DQG^L ZHUH^L GRCH[‡] L
7KDW^L IW^L L &DQ^L \RX^L KQGQH^L WKDW[‡]

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, L DVNHG^L EHIRUH^L □ □ □

&4 FRP 6HQDWH (QYLURQPHQW DQG 3XEOLF :RUNV &RPPLWPH +ROGV + 3DJH 94!RI

&\$53(5

:K\ GROW \RX\ VD\ \HV\ :HJL ZDWLQJ\ DL CRW RI\ WLPH\ KHL\ RAKHULVH\ ZHOO\ MXW\ \(\(\(\

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+RZ\ DERWW\ WKH\ \(\(\(\

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\(\(\(\ NHHS\ WDNLQJ\ DURXQG\ LW\

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\$V\ \RX\ VDLG\ \RX\ KDYH\ DL FRXSCH\ RI\ TXHVALRQ\ \RX\ KDYH\ DL FRXSCH\ ++\ CHW\ JR\ WKH\ PLQXWV\ HDFK\ DQG\ WKHQ\ ZHOO\ FDOO\ LW\ JRRG\

&\$53(5

\$OO\ ULJKW\

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\RXUH\ ++\ \RXUH\ XS\

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OU\ &KDLUPDQ"

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6HQDWRU\ %RRNHU"

%22.(5

,G\ DMHG\ WR\ EH\ UHFRQJL]HG\ HDUOLHU\ ,\ GR\ ZDOW\ WR\ \(\(\(\

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\HM\ RKO\ ,P\ ++\ ,\ DSRCRJL]H\ \HM\ \HM\ VLW"

%22.(5

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L +3DJH^L ¶¶RI^L

1R^L, L MWL ZDQW WR L UHSHDW^L, L GR L WKLQN^L ZKOW^L 6HQDWL^L 6XOOLYDQL^L VDLG^L \RX^L KOYH^L
EHQL YHUV^L YHUV^L JHQHURXV^L, L ,WWL WUXH^L, L DSSUFLDWL^L ZKOW^L VHPV^L OLNH^L DQL
DFFRUGL ULJKW^L QRZ^L RI^L DL IHZ^L PLQWHL^L HDFK^L, GL DSSUFLDWL^L WKOW^L

2CH^L WKLQJ^L \RX^L GLGOW^L PDUN^L ZKLFK^L, L WKLQN^L VKRXOG^L EH^L UHDOD^L LPSRUWDQW^L LV^L, L
KOYH^L QR^L VIPSOK^L IRU^L WKH^L QRPLQH^L DQG^L KLV^L HQXUDQFH^L, L GR^L KOYH^L IRU^L KLV^L
IDPLO^L EHKLQG^L KLP^L ZKR^L KOV^L VDW^L WKURXJK^L DOO^L WKLV^L DQG^L, L MWL ZDQW WR^L PDUN^L
IRU^L WKH^L UHFRUGL^L WKOW^L WKH^L DUH^L WUXH^L FKDPGV^L DQG^L, L WKLQN^L WKOW^L LPSRUWDQW^L WR^L
NQRZ^L \$Q^L, L WKDN^L WKH^L IRU^L WKH^L LQGXOJHQFH^L CRW^L WKH^L QRPLQH^L EXW^L ◀◀◀

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:HDX^L, L ZRXOG^L MWL VD\ L ◀◀◀

%22.(5 L

◀◀◀ L, L WKLQN^L WKOW^L PRUH^L HYLGQFH^L WKOW^L KH^L FDUHV^L IRU^L WKH^L FKLOGUHQ^L RI^L
2NOOKRPD^L

♂ /DXJKWHU□

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, L ZRXOG^L MWL VD\ L PDQ\ L SHRSOH^L ++ L PRUH^L SHRSOH^L YRH^L IRU^L PH^L EHFDXH^L RI^L PV^L
ZLIH^L WKQ^L YRH^L IRU^L PH^L DQG^L, L ZRXOG^L VXJJHW^L IRU^L \RX^L DV^L ZHOO^L LQ^L WKH^L FDMH^L RI^L
AKLV^L QRPLQH^L L 6R^L ◀◀◀

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/HW^L PH^L \LHOG^L WR^L 6HQDWL^L :KLUHKRXVH^L

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, L MWL ZDQWGL WR^L WRXFK^L RQ^L WR^L WKLQJV^L DQG^L WKH^L ZHOO^L ZUDS^L XS^L 7KH^L ILMW^L LV^L
AKOW^L RQ^L \RX^L TXHMLRQDLUH^L, L \RX^L OLWHG^L DQ^L HPDLO^L DGGUHW^L ZIWK^L D^L PH^L FRP^L
GRPDLO^L DV^L \RX^L EXVLQHW^L HPDLO^L

&4 FRP 6HQDWH (QYLURQPHQW DQG L 3XEOLF L :RUNV L &RPPHWLH L +ROGV L + 3DJH L 9LRI L

<RX L DOVR L KDH L DQ L RDJ L RN L JRY L DGGUHW L \$UH L WKH L RAKHU L HDLO L DGGUHW L
AKOW L RX L KDH L DQ L DU L WKH L RAKHU L HDLO L DGGUHW L WKOW L RX L XH L IRU L
EXVLQHW L RAKHU L WKDQ L RXUL PH FRP L DQG L RXUL RDJ L RN L JRY L HDLO L
DGGUHW L

358,77 L

7KH L ++ L ,PL VRW L 6HQDWRU L 7KH L ++ L WKH L PH L DGGUHW L LV L QRW D L EXVLQHW L HDLO L
DGGUHW L ,WL D L ++ L LW L D L ++ L DQG L ,PL QRW VXUH L ZK L LW ZDVL GHMLJDWHGL DV L VXFK L
,PL RQ L PI L ILUW YLW L < <

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2. L PD\EH L ZH L FDQ L SUHFULH L WKH L TLOLQJ L RQ L WKOW < <

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< < L VR L WKH L QR L RAKHU L < <

358,77 L

< < L WKH L DU L QR L RAKHU L HDLO L DGGUHW L LI L WKDW L RXUL TXHMLRQ L 6HQDWRU L

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:H L KDH L JRQH L WKURXJK L WKH L FDMHV L WKDW L RX L OLW L DV L RXUL HQYLURQPHQWDO L
FDMHV L DQG L ZKHQ L ZH L WDH L RXW WKH L FDMHV L WKDW L ZHUH L WDUWHL E L RXUL
SUHGHFWRU L 'UHZ L (GPRQGRQ L DQG L ZKHQ L RX L WDH L RXW WKH L FDMHV L WKDW
DUH L ILVK L NLOO L FDMHV L ZKLFL DVL , L XQGHUW DQG L LV L D L IRUP L RX L ODNH L PDWHU L SK L
AKOW L LV L UHROYHG L E L CHWHL DW WKH L WDI L CHYH L RXL FRXQW WKH L ILVK L RX L SD L WKH
IH

\$QG L ZKHQ L RX L WDH L RXW WKH L TXL WDP L FDMHV L ZKLFL DUH L D L IRU L WKRVH L ZKR L
DUH QDZ L HU L D L SULYDWH L LGGLYLGDO L ZKR L EULQJV L DQ L DFALRQL DQG L WKH Q L
DMWLRQH L JHQHDO L FDQ L WHS L LQ L DQG L WDH L WKH L DFALRQL RYHU L LI L WKH L ZDQW L EXW
LW L EURXJKW L LQ L WKH L ILUW L LQWDQFH L E L D L SULYDWH L LGGLYLGDO L \$QG L WKH Q L LI L RX L
ADNH L RXW WKH L FDMHV L LQ L ZKLFL RX L VXHG L (3\$ L WKH L LV L YLUWDOO L CRWKLQJ L CHW

KWS ↑ ↑ ZZZ FT FRP GRF FRQJUHWLRQDQWUDQFULSW "¶ L SULQWVWUH ¶ + !!

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPHWLH^L +ROGV^L + 3DJH^L ¶L RI^L

\$QGL LQL DGGIWLRLQ^L WR^L WKDW^L ZHL KDH^L WKDW^L \RX^L FORMHG^L WKH^L (QYLURQPHQWDO^L
3URWHWRQ^L 8QWL LQL 2NODKRPD^L DVL D^L IUHL WWDQGLQJ^L XQLW^L <RX^L WROG^L PH^L ZKHQ^L
ZHL PHW^L WKDW^L \RX^L KDG^L UROOHGL^L LW^L LQAR^L \RXU^L)HGHUDOLVPL XQLW^L EXW^L, L ZDV^L MXW^L RQ^L
AKH^L)HGHUDOLVPL XQLW^L :HEVWHL DQG^L WKH^L ZRUG^L | HQYLURQPHQWDO| L GRHMQW^L
HYHQ^L DSSHDU^L RQ^L WKDW^L

\$QGL LW^L DSSHDU^L WR^L EH^L UXQ^L E\W^L WKH^L VROLFIWRU^L JHCHUDO^L DQG^L LW^L VD\W^L RYHU^L DQG^L
RYHU^L DJDLQ^L WKDW^L LW^L LQYROYHG^L LQL DSSHODWHL QWLJDALRQ^L \$QGL RI^L FRXUH^L L L^L
\RXUH^L EUQLQJLQ^L DQ^L DFALRQ^L L \RXUH^L CRW^L WWDQWLQ^L DW^L WKH^L DSSHODWHL CHYHD^L
)LQDOO^L L WKH^L ++

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6HQDWL L L , L PD\W^L ++ L WKH^L 'HSXM^L 6ROLFIWRU^L *HGHUDO^L &ODWRQ^L %DQNL ZDV^L
DFWDOO\ L HPSORVHG^L E\W^L WKH^L SUHYLRXV^L DMWUCH^L JHCHUDO^L L +H^L KDV^L EHQL^L
GHMLJDWHL D^L GHXM^L VROLFIWRU^L JHCHUDO^L DQG^L LW^L UHVSQVLECH^L IRU^L
HQYLURQPHQWDO^L UHODWHL DGYLVH^L DQG^L FRQHMQW^L WR^L ▲ ▲ ▲

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◀ ▲ ▲ L WKRVH^L DJHQFLHM^L

:+7(+286(L

<HD^L L WKDW^L D^L GLI IHHQW^L IXQFLRQ^L L WKRXJK^L 7KD^L D^L GLI IHHQW^L IXQFLRQ^L WKDQ^L
AR^L EUQLQ^L DQ^L DFALRQ^L L YH^L EHQL^L DQ^L DMWUCH^L JHCHUDO^L L WRR^L L , L NQRZ^L WKH^L
GLI IHHQFH^L L 7KH^L DMWUCH^L JHCHUDO^L KDV^L DQ^L REOLJDALRQ^L WR^L SURYLG^L ODZ\HUV^L WR^L
JLYH^L DGYLFH^L WR^L DJHQFLHM^L L EXW^L \RX^L DOVR^L KDYH^L WKH^L DXWKRUW^L WR^L EUQLQ^L FULPLQD^L
DFALRQ^L L L^L \RX^L ZLVK^L L DQG^L \RX^L KDYH^L WKH^L DXWKRUW^L WR^L EUQLQ^L FLYLO^L DFALRQ^L L L^L
\RX^L ZLVK^L

\$QGL LW^L WKRVH^L DXWKRUW^L WKDW^L, L EHOLHYH^L KDYH^L CRW^L JRMHQ^L PXFK^L DMWQNLRQ^L L
\$QGL WKH^L ODMW^L SLHFL^L RI^L WKDW^L L EHFDXVH^L \RX^L ZLQ^L KDYH^L D^L FKDQFH^L WR^L UHVSQV^L L
EXW^L, P^L RQ^L D^L VKRUW^L FORF^L L WKDNW^L L LV^L WKDW^L WKH^L ZDV^L DQ^L 2NODKRPD^L
(QYLURQPHQWDO^L &ULPHV^L 7DMNIRUFH^L WKDW^L \RXU^L SUHGLFWRU^L CHG^L DQG^L LW^L
GHMFULEH^L

&4 FRP[†] 6HQDWL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWPH^L +ROGV^L + 3DJH^L ¶RI^L

\$QG^L ,GL DVN^L WR^L KOYH^L WKHM^L GRFXPHQW^L SXW^L LQWR^L WKH^L ++ L WKH^L UHFRUG^L L TURPL
¶ → L WR^L + !! ¶ !! L WKH^L 2(&76) L WKH^L (QYLURPHQWDO^L &ULPHV^L 7DMNIRUFL RI L WKH^L
(QYLURPHQWDO^L 3URWHLRQL 8QWL LQ^L FRQXFWRQL ZIWK^L WKH^L (3\$ L DQG^L RAKHU^L
HQNLWHL^L FRQXFHG^L ¶ + + L FULPLQDOL LQHMLJDALRQVL UHMXONLQJ^L LQ^L ↑ + L
SURVHFALRQV[¶]

&ULPLQDOL FDHV^L UHMXONHG^L LQGLYLGADOL FRQYLFWLRQV^L RQ^L ¶ !! L IHORQV^L DQG^L + ¶ L
PLVGHPHDGRU^L FRXQW^L L • ← L PLOORQ^L LQ^L ILGHM^L L + ← L \HDUV^L RI L MDLO^L WLPH^L L :H^L FDQ^L
SXW^L LW^L LQ^L WKH^L UHFRUG^L ,V^L WKH^L HYHQ^L ++ L GR^L \RX^L HYHQ^L SDUWFLSDWH^L LQ^L WKH^L
2NOOKRPD^L (QYLURPHQWDO^L &ULPHV^L 7DMNIRUFL WALOO"

%\$55\$662 L
:WKRW^L REMHWLRQ[¶]

358,77 L
6HQDWL DV^L ,YH^L LQGLFDWLG^L ZH^L HDFK^L GD^L ZIWK^L RXU^L 'HSUWPHQW^L RI^L
(QYLURPHQWDO^L 4XDMW^L RQ^L HQIRUFH^L DORQ^L ZIWK^L RAKHU^L DJHQFLHV^L ,
JXHW^L LW^L DL PDWHL^L RI^L TXRH^L XQTXRH^L | ZKR^L WDHW^L WKH^L FUHLW^L IRU^L WKDW^L WSH^L
RI^L HQIRUFH^L | L %AM^L WKRH^L LQGLYLGADOL KOYH^L RI IHHG^L WDWHPHQW^L WR^L WKLV^L
ERG[¶] L 7KH^L DU^L DL PDWHL^L RI^L WKH^L UHFRUG[¶]

\RXH^L KHDUG^L WDWHPHQW^L WKDW^L WKH^L &KOLUPDQ^L KOV^L UHIIHUHG^L WR^L WKDW^L ++ L WKDW^L
ZH^L KOYH^L ZRUNHG^L GLOLJHQDOL ZIWK^L WKRVH^L DJHQFLHV^L WR^L HQIRUFH^L DSSURSULDWHO^L
DQG^L , L ZRXOG^L UHIIHU^L WR^L WKH^L WDWHPHQW^L LQ^L UHMSQMV[¶]

%\$55\$662 L
7KDN^L \RX^L ++ L 6HQDWL %RRNHU[¶]

%22.(5 L
7KDN^L \RX^L YH^L PXFK^L 6R^L ILUWW^L RI^L DOO^L , L DSSUHFLDWH^L \RX^L WDNLQJ^L DERXW^L
HQYLURPHQWDO^L MXWLFH^L DQG^L PHQWLQHG^L WKDW^L ZH^L GLG^L WDNL^L DERXW^L WKDW^L DQG^L ,
IHOU^L JRRG^L DERXW^L \RXU^L SHVRQDOL FRPPLWPHQW^L WR^L DW^L CHDW^L PH^L WKDW^L \RX^L ZHUH^L
SXUWXH^L WKDW^L , L MXW^L ZDOW^L WR^L MXW^L JR^L WKURXJK^L WKLV^L ODXW^L SRLQW^L , L ZDOW^L WR^L SXW^L
ARJHWHU^L DL IDFW^L SDWHLQ^L KHU^L L WKHQ^L CHW^L \RX^L KOYH^L WKDW^L DQG^L GLVSXWH^L LW[¶]
, L NQRZ^L WKH^L DW^L CHDW^L RQH^L SRLQW^L LQ^L KHU^L \RX^L GLVSXWH^L L EXW^L , L UHDOO^L ZDOW^L WR^L
JHW^L WR^L WKH^L ++ L ZKDW^L , L GUDZ^L TURPL WKH^L IDFW^L L DQG^L \RX^L FDQ^L DJDLQ^L L KOYH^L WKH^L ODXW^L
ZRUG[¶] L 6R^L L ZKDW^L , P^L VHLQ^L L ZKHQ^L , L SXW^L WRJHWHU^L DOO^L WKH^L IDFW^L L DQG^L MXW^L DL
SDWHLQ[¶]

KWS ↑ ↑ ZZZ FT FRP[†] GRF[†] FRQJUHWLRQDQWUDQWULSAW "¶ + SULQWVWUH ¶ + !!